

FORM
2
Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

Document Number:
400050755
Plugging Bond Surety
20060138

3. Name of Operator: CONOCO PHILLIPS COMPANY 4. COGCC Operator Number: 19160

5. Address: P O BOX 2197
City: HOUSTON State: TX Zip: 77252-2197

6. Contact Name: Sharon Zubrod Phone: (505)326-9793 Fax: (505)599-4062
Email: Sharon.R.Zubrod@conocophillips.com

7. Well Name: Southern Ute Well Number: 704

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 6851

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 16 Twp: 32N Rng: 7W Meridian: N
Latitude: 37.022480 Longitude: -107.622550

Footage at Surface: 618 FNL/FSL FNL 199 FEL/FWL FWL

11. Field Name: Ignacio Blanco Field Number: 38300

12. Ground Elevation: 6348 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 08/20/2008 PDOP Reading: 3.0 Instrument Operator's Name: Nelson Ross

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 690 FNL 1754 FWL 700 FEL/FWL 700 FEL 700
Sec: 16 Twp: 32N Rng: 7W Sec: 16 Twp: 32N Rng: 7W

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 3800 ft

18. Distance to nearest property line: 1600 ft 19. Distance to nearest well permitted/completed in the same formation: 1650 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Fruitland Coal	FRLDC	112-197	320	N/2

21. Mineral Ownership: Fee State Federal Indian Lease #: 14-20-151-06

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No Surface Owners Agreement Attached or \$25,000 Blanket Surface Bon \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
see attached map

25. Distance to Nearest Mineral Lease Line: 630 ft 26. Total Acres in Lease: 2080

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite

Method: Land Farming Land Spreading Disposal Facility Other: Evaporate in pit.

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
1ST	12+1/4	9+5/8	32.3	300	206	300	0
2ND	8+3/4	7+0/0	23	3,778	303	3,778	0
1ST LINER	6+1/4	4+1/2	11.6	6,851	0		

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments This APD is for Lateral B. No conductor casing. Mud will be disposed offsite at a disposal facility if contents exceed parameters of Table 910-1.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Tim G. Kelley

Title: Agent Date: 5/24/2010 Email: tim@finneyland.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin Director of COGCC Date: 6/11/2010

API NUMBER: **05 067 09818 01** Permit Number: _____ Expiration Date: 6/10/2012

CONDITIONS OF APPROVAL, IF ANY: _____

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

Attachment Check List

Att Doc Num	Name	Doc Description
400050755	FORM 2 SUBMITTED	LF@2484126 400050755
400058167	WELL LOCATION PLAT	LF@2484127 400058167
400058168	TOPO MAP	LF@2484128 400058168
400058169	DEVIATED DRILLING PLAN	LF@2484130 400058169
400058171	MINERAL LEASE MAP	LF@2484132 400058171
400063870	OTHER	LF@2484150 400063870
400064191	FED. DRILLING PERMIT	LF@2484135 400064191

Total Attach: 7 Files