

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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Document Number:

400085225

Plugging Bond Surety

20040083

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 ☐

3. Name of Operator: PIONEER NATURAL RESOURCES USA INC

4. COGCC Operator Number: 10084

5. Address: 1401 17TH ST STE 1200

City: DENVER State: CO Zip: 80202

6. Contact Name: Georgina Kovacic Phone: (303)675-2611 Fax: (303)294-1251

Email: georgina.kovacic@pxd.com

7. Well Name: MONTOYA Well Number: 33-13 TR

8. Unit Name (if appl): Spanish peaks Unit Number: COC57890A

9. Proposed Total Measured Depth: 1985

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 13 Twp: 33S Rng: 68W Meridian: 6

Latitude: 37.171280 Longitude: -104.942780

Footage at Surface: 2632 FNL/FSL FSL 1485 FEL/FWL FEL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 7891 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 07/08/2010 PDOP Reading: 5.3 Instrument Operator's Name: R. Coberly

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

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 1610 ft

18. Distance to nearest property line: 1298 ft 19. Distance to nearest well permitted/completed in the same formation: 2240 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.)
Raton	RTON	NA		NA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

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

25. Distance to Nearest Mineral Lease Line: 1298 ft 26. Total Acres in Lease: 2967

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: Drilling 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
CONDUCTOR	12+3/4	12+3/4	33.30	6			
SURF	11	8+5/8	24	760	159	760	0
1ST	7+7/8	5+1/2	15.5	1,985	294	1,985	0

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

33. Comments Surface casing exception required for 760 ft due to the COGCC requiring a surface casing depth of 830 ft. This would leave behind ~10 ft of net Raton or ~25% of net TR Coal.

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: Georgina Kovacik

Title: Engineering Tech Date: 8/17/2010 Email: georgina.kovacik@pxd.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: 9/26/2010

API NUMBER

05 071 09829 00

Permit Number: _____ Expiration Date: 9/25/2012

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.

Equivalent Raton coals will not be produced simultaneously in the following wells: Montoya 33-13 TR & Montoya 33-13.

- 1) Provide 48 hour notice of MIRU to John Duran at 719-846-4715 email John.Duran@state.co.us.
- 2) Provide cement coverage of production casing from TD to surface casing shoe or above. Verify coverage with cement bond log. NOTE: There is a water well ½-mile to 1-mile from the proposed well location with bottom hole elevation deeper than the proposed surface casing setting depth that may be completed in a coal seam of interest for this well (Receipt #541729 - 260'@5100' SE). Exception for 760' of surface casing granted, otherwise 840' of surface casing would be needed to cover 50' below all water wells within a 1-mile radius.
- 3) Immediately cease operations and notify the COGCC in the event of any operational problem that could impact water wells in the area.

Attachment Check List

Att Doc Num	Name	Doc Description
2510508	SURFACE CASING CHECK	LF@2535241 2510508
400085225	FORM 2 SUBMITTED	LF@2525745 400085225
400085260	30 DAY NOTICE LETTER	LF@2525746 400085260
400085261	SURFACE AGRMT/SURETY	LF@2525747 400085261
400085262	WELL LOCATION PLAT	LF@2525748 400085262
400085264	LEGAL/LEASE DESCRIPTION	LF@2525749 400085264

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED	9/24/2010 9:04:40 AM
Permit	Remove Bond Number per Operator.	9/24/2010 9:03:31 AM
Permit	SUA attached call operator to correct Item 22B and add this Form2 to the Form 2A Related Forms	9/23/2010 4:11:10 PM

Total: 3 comment(s)

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