

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



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

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:

400088596

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: Patsy Clugston Phone: (505)326-9518 Fax: (505)599-4062

Email: patsy.l.clugston@conocophillips.com

7. Well Name: Allison Unit Com Well Number: 148

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

9. Proposed Total Measured Depth: 5902

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 23 Twp: 32N Rng: 7W Meridian: N

Latitude: 37.002400 Longitude: -107.572850

 Footage at Surface: 874 FNL/FSL 1283 FEL/FWL
 FSL FEL

11. Field Name: Ignacio Blanco Field Number: 38300

12. Ground Elevation: 6638 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 06/19/2009 PDOP Reading: 3.0 Instrument Operator's Name: Scott Wiebe

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
 1176 FSL 1202 FEL 710 FNL 600 FWL
 Sec: 23 Twp: 32N Rng: 7W Sec: 24 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: 2800 ft

18. Distance to nearest property line: 300 ft 19. Distance to nearest well permitted/completed in the same formation: 300 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 | 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):
E/2E/2 Sec. 23, ALL Sec. 24, T-32-N, R-7-W

25. Distance to Nearest Mineral Lease Line: _____ 0 ft 26. Total Acres in Lease: _____ 600

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 LINER | 6+1/4 | 4+1/2 | 11.6 | 3,500 | | | |

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

33. Comments This application is for a Lateral A from a casing exit of an existing wellbore into the Allison Federal Unit. The Ignacio Blanco Pool orders have been suspended in so far as such orders relate to acreage in the Allison Federal Unit located in the state of Colorado by Information Notice from the COGCC dated 1/24/2000. The distance to the nearest mineral lease line is 0' because the wellbore produces across lease lines in this federal unit. No new surface disturbance will occur except for the excavation of the Reserve Pit. Mud disposal will be to evaporate in the pit unless contents exceed parameters of Table 910-1. No conductor pipe.

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: 9/8/2010 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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05 067 08495 01

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 |
|-------------|------------------------|--|
| 400088596 | FORM 2 SUBMITTED | 400088596.pdf |
| 400088663 | DEVIATED DRILLING PLAN | Allison Com Unit #148 Lat A Plan #2.pdf |
| 400088664 | OTHER | Allison Unit Com 148 Lateral APD Well Plan.pdf |
| 400094394 | WELL LOCATION PLAT | survey plat.pdf |
| 400094395 | TOPO MAP | topo.pdf |
| 400105544 | SURFACE AGRMT/SURETY | Surface Damage Release.pdf |

Total Attach: 6 Files