

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 CO2
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refilling
Sidetrack

Document Number:
400109831
Plugging Bond Surety

3. Name of Operator: KINDER MORGAN CO2 CO LP 4. COGCC Operator Number: 46685

5. Address: 17801 HWY 491
City: CORTEZ State: CO Zip: 81321

6. Contact Name: Paul Belanger Phone: (970)882-2464 Fax: (970)882-5521
Email: Paul_Belanger@kindermorgan.com

7. Well Name: MCELMO-DU 6-37-18 Well Number: HF#1

8. Unit Name (if appl): MCELMO DOME Unit Number: COC 047653X

9. Proposed Total Measured Depth: 10290

WELL LOCATION INFORMATION

10. QtrQtr: LOT 20 Sec: 6 Twp: 37N Rng: 18W Meridian: N
Latitude: 37.487160 Longitude: -108.880619

Footage at Surface: 520 feet FNL/FSL FSL 1344 feet FEL/FWL FWL

11. Field Name: MCELMO Field Number: 53674

12. Ground Elevation: 6442 13. County: MONTEZUMA

14. GPS Data:

Date of Measurement: 11/19/2009 PDOP Reading: 3.3 Instrument Operator's Name: Gerald G. Huddleston

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

Footage at Top of Prod Zone: FNL/FSL 520 FSL 1344 FWL FWL Bottom Hole: FNL/FSL 807 FNL 2763 FWL FWL
Sec: 6 Twp: 37N Rng: 18W Sec: 7 Twp: 37N Rng: 18W

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: 5280 ft

18. Distance to nearest property line: 2700 ft 19. Distance to nearest well permitted/completed in the same formation: 1867 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.)
Leadville	LDVLL	389-1	203234	

21. Mineral Ownership: Fee State Federal Indian Lease #: COC
012039A

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 legal lease and lease map.

25. Distance to Nearest Mineral Lease Line: 520 26. Total Acres in Lease: 432

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: de-water and cover

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16			90			0
SURF	14+3/4	10+3/4	40.5		2,998	1,620	2,998	0
1ST	9+1/2	7+5/8	26.4		6,102	2,040	6,102	0
2ND		5	17.93		7,830		7,830	
OPEN HOLE	4+3/4				10,078		10,078	

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

33. Comments This lateral hole was completed from the wellbore/casing/tubing set up in 1983 (original APD form 648237). The tubing is needed with packers to protect the carbon-steel 1st string from corrosion. We are submitting several wellbore diagrams as documentation of original casing that are needed to completely understand the drilling hole sizes, casing and cementing programs of the original hole. A window was then cut and an open hole drilling and completion ensued. KM entered original hole and drilled a 6 1/2" OH and TD 8290'; logged and plugged back to 7830'. After evaluation of logs, operator chose depth and used cement plug as kick off, mill exit window, set csg shoe 8053' and drill 8057-10078' MD. As this APD is being done 7 years later, Kinder Morgan cannot find a proposed deviated drilling plan, so we are submitting the final deviated drlg plan.

34. Location ID: 313518

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: Paul E. Belanger

Title: Regulatory Contractor Date: _____ Email: Paul_Belanger@KinderMorgan.

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

API NUMBER
05 083 06389 01

Permit Number: _____ Expiration Date: _____

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
400113141	DEVIATED DRILLING PLAN
400113180	H2S CONTINGENCY PLAN
400117050	UNIT CONFIGURATION MAP
400117080	SURFACE PLAN
400117081	WELLBORE DIAGRAM
400117084	DRILLING PLAN
400117089	DEVIATED DRILLING PLAN
400117093	WELLBORE DIAGRAM
400117143	LEGAL/LEASE DESCRIPTION
400117144	LEASE MAP
400117438	WELL LOCATION PLAT

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
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Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
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Total: 0 comment(s)