

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 ☐

Refilling ☐
Sidetrack ☐

Document Number:

400114313

Plugging Bond Surety

20040083

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 Kovacik Phone: (303)675-2611 Fax: (303)294-1251

Email: georgina.kovacik@pxd.com

7. Well Name: TALON Well Number: 34-25 TR

8. Unit Name (if appl): Sangre de Crist Unit Number: COC60203A

9. Proposed Total Measured Depth: 2515

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 25 Twp: 32S Rng: 68W Meridian: 6

Latitude: 37.224410 Longitude: -104.943320

Footage at Surface: 753 feet FNL/FSL 1556 feet FEL/FWL FEL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 8133 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 09/16/2010 PDOP Reading: 6.2 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: 340 ft

18. Distance to nearest property line: 79 ft 19. Distance to nearest well permitted/completed in the same formation: 1500 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 #: L00016498

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 Bond ☐ \$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: 297 ft 26. Total Acres in Lease: 106

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	12+3/4	12+3/4	33.38		6			
SURF	11	8+5/8	24		1,100	231	1,100	0
1ST	7+7/8	5+1/2	15.5		2,515	373	2,515	0

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

33. Comments The conductor casing will be hammered in.

34. Location ID: 308812

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: 12/7/2010 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: 1/16/2011

API NUMBER

05 071 09847 00

Permit Number: _____ Expiration Date: 1/15/2013

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.

- 1) Provide 48 hour notice of MIRU to John Duran at 719-846-4715 or email John.Duran@state.co.us.
- 2) Provide cement coverage of production casing from TD to 50' above surface casing shoe. Verify coverage with cement bond log.
- 3) Immediately cease operations and notify the COGCC in the event of any operational problem that could potentially impact water wells in the area.

Equivalent Raton coals will not be produced simultaneously in the following wells: Talon 34-25 TR & Talon 34-25.

Attachment Check List

Att Doc Num	Name
2565775	SURFACE CASING CHECK
400114313	FORM 2 SUBMITTED
400114344	CONSULT NOTICE
400114345	30 DAY NOTICE LETTER
400114346	WELL LOCATION PLAT
400114355	LEGAL/LEASE DESCRIPTION
400114527	EXCEPTION LOC REQUEST
400114528	WAIVERS
400114854	SURFACE AGRMT/SURETY

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	12/20/2010 9:55:31 AM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)