

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: 320 ft 26. Total Acres in Lease: 3129

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	12+3/4	12+3/4	33	0	6			
SURF	11	8+5/8	24	0	650	136	650	0
1ST	7+7/8	5+1/2	15	0	2,745	407	2,745	0

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

33. Comments The conductor casing will be hammered in. Surface casing exception required for 650 ft due to the COGCC requiring a surface casing of 795 ft. This would leave behind ~6 ft of net Raton or ~10-15% of Net TR Coal. Exception Location Request Attached.

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 Kovacic

Title: Engineering Tech Date: 2/25/2011 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. Nashin Director of COGCC Date: 4/8/2011

Permit Number: _____ Expiration Date: 4/7/2013

API NUMBER
05 071 09856 00

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.
- 4) Due to WWs w/in 1/4 mile Rcpt #3608665, #3613436 do not perforate above 720'.

Attachment Check List

Att Doc Num	Name
2111226	SURFACE CASING CHECK
2586548	EXCEPTION LOC REQUEST
400136811	FORM 2 SUBMITTED
400136829	LEGAL/LEASE DESCRIPTION
400136830	CONSULT NOTICE
400136832	WELL LOCATION PLAT
400136833	SURFACE AGRMT/SURETY
400136895	30 DAY NOTICE LETTER

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	4/8/2011 1:18:05 PM
Permit	Change distance to nearest well and attach Exception Location Request. JLV	4/8/2011 1:16:09 PM
Permit	Called Operator to request and Exception Location Request. JLV	3/31/2011 2:37:47 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)