

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

Document Number:

400144526

Plugging Bond Surety

20100210

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: XTO ENERGY INC 4. COGCC Operator Number: 100264

5. Address: 382 CR 3100
City: AZTEC State: NM Zip: 87410

6. Contact Name: Kelly Kardos Phone: (505)333-3145 Fax: (505)213-0546
Email: kelly_kardos@xtoenergy.com

7. Well Name: APACHE CANYON Well Number: 01-04

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

9. Proposed Total Measured Depth: 2549

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 1 Twp: 34S Rng: 68W Meridian: 6

Latitude: 37.118207 Longitude: -104.955731

Footage at Surface: 798 feet FNL 28 feet FWL

11. Field Name: PURGATOIRE RIVER Field Number: 70830

12. Ground Elevation: 8519 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 01/24/2011 PDOP Reading: 6.0 Instrument Operator's Name: GARY TERRY

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: 10560 ft

18. Distance to nearest property line: 10560 ft 19. Distance to nearest well permitted/completed in the same formation: 1376 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			
VERMEJO	VRMJ			

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: 28 ft 26. Total Acres in Lease: 22317

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: BURY/HAUL

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	17+1/2	13+3/8	54	0	45	98	45	0
SURF	11	8+5/8	24	0	785	520	785	0
1ST	7+7/8	5+1/2	15.5	0	2,549	100	2,549	1,861
			Stage Tool		1,861	290	1,861	0

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

33. Comments THERE IS A WATER WELL WITHIN 1 MILE OF THE PROPOSED LOCATION. ADD'L SURF CSG IS REQUIRED

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: Kelly K. Kardos

Title: Sr. Permitting Tech Date: 3/21/2011 Email: kelly_kardos@xtoenergy.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: 5/10/2011

API NUMBER 05 071 09865 00	Permit Number: _____	Expiration Date: <u>5/9/2013</u>
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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.

Attachment Check List

Att Doc Num	Name
400144526	FORM 2 SUBMITTED
400144529	EXCEPTION LOC REQUEST
400144530	PLAT
400144531	TOPO MAP
400144532	CONSULT NOTICE
400144533	LEASE MAP
400144534	SURFACE AGRMT/SURETY
400144535	WAIVERS

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	Spill Prevention and Counter Measures (SPCC) for the Raton Basin is on file at the XTO Energy Inc. office. The Field SWMP and Site Specific SWMP each address SPCC during construction operations.
Construction	<p>Prior to construction perimeter controls will be installed utilizing cuttings from the clearing operations. Brush Barriers shall be placed down gradient of the disturbance. Once the well pad has been constructed a variety of B.M.P.'s shall be utilized for the site specific conditions. These devices may include but are not limited to:</p> <ul style="list-style-type: none">• Brush Barriers• Dirt Berm/Bar Ditch• Clean Water Run on Diversion• Seeding• Erosion Control Blankets• Mulch Tackifier• Rip-Rap <p>During construction each site will be inspected every 14 days and 72 hours after any major storm event. These inspections will be recorded and maintained at the XTO office.</p> <p>Repairs shall be completed within 7 days of the initial inspection. Any modifications shall be revised on the site plan and then implemented at the site.</p>
	<p>A Field Wide Stormwater Management Plan (SWMP) for the Raton Basin is on file at the XTO Energy Inc. office. A Site Specific SWMP with a Site Plan will be developed for each location and can be found in:</p> <ul style="list-style-type: none">• Appendix F- Apache Canyon Lease• Appendix G- Golden Eagle Lease• Appendix H- Hill Ranch Lease• Appendix I- New Elk Lease
Wildlife	Wildlife BMP required for Raton Basin utilize bear proof dumpsters and trash receptacles for food related trash at all facilities that generate such trash.

Total: 4 comment(s)