

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		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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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

Refiling
 Sidetrack

Document Number:
 1635220
 Plugging Bond Surety

3. Name of Operator: RED WILLOW PRODUCTION COMPANY 4. COGCC Operator Number: 81295

5. Address: P O BOX 369
 City: IGNACIO State: CO Zip: 81137

6. Contact Name: ANGELA SIMONS Phone: (970)563-5166 Fax: (970)563-5161
 Email: ASIMONS@RWPC.US

7. Well Name: SO UTE FC 32-8 Well Number: 7-16

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

9. Proposed Total Measured Depth: 4318

WELL LOCATION INFORMATION

10. QtrQtr: LOT 2 Sec: 7 Twp: 32N Rng: 8W Meridian: N
 Latitude: 37.034920 Longitude: -107.764590

	FNL/FSL		FEL/FWL
Footage at Surface: <u>1525</u> feet	<u>FNL</u>	<u>980</u> feet	<u>FWL</u>

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 7245 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 07/24/2006 PDOP Reading: 3.0 Instrument Operator's Name: AMBROSE GARCIA/STELLA JIMMIE

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
<u>1502</u>	<u>FNL</u>	<u>2360</u>	<u>1500</u>	<u>FNL</u>	<u>2500</u>
	<u>FWL</u>			<u>FWL</u>	
Sec: <u>7</u>	Twp: <u>32N</u>	Rng: <u>8W</u>	Sec: <u>7</u>	Twp: <u>32N</u>	Rng: <u>8W</u>

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: 6 mi

18. Distance to nearest property line: 3 mi 19. Distance to nearest well permitted/completed in the same formation: 1520 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	112-190	320	W/2

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: 142015109

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):
SEC 6, 5, 7 & 8 T32N R8W

25. Distance to Nearest Mineral Lease Line: 980 ft 26. Total Acres in Lease: 2560

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: EVAPORATION & BURIAL

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
SURF	12+1/4	8+5/8	24		500	350	500	0
1ST	7+7/8	5+1/2	17		4,318	805	4,318	0

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

33. Comments NO CHANGES HAVE BEEN MADE TO ORIGINAL APD. NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 333895

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: DENNIS CORKRAN

Title: DRILLING & PRODUCTION MGR Date: 4/12/2011 Email: ASIMONS@RWPC.US

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: 5/24/2011

Permit Number: _____ Expiration Date: 5/23/2013

API NUMBER
05 067 09420 00

CONDITIONS OF APPROVAL, IF ANY: _____

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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.

None - Ute Properties

Attachment Check List

Att Doc Num	Name
1635220	APD ORIGINAL

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected Qtr/Qtr to LOT 2, added location ID, and notified Opr. sf	4/22/2011 9:16:17 AM
Data Entry	CHECK CASING HISTORY STRING NAMES FOR ACCURACY.	4/21/2011 2:59:36 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)