

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 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
DE	ET	OE	ES				
<b>APPLICATION FOR PERMIT TO:</b>			Document Number:  400132012  Plugging Bond Surety  20040083				
1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> COALBED <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>			Refiling <input checked="" type="checkbox"/> Sidetrack <input type="checkbox"/>				
3. Name of Operator: <u>PIONEER NATURAL RESOURCES USA INC</u>		4. COGCC Operator Number: <u>10084</u>					
5. Address: <u>1401 17TH ST STE 1200</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>							
6. Contact Name: <u>Georgina Kovacic</u> Phone: <u>(303)675-2611</u> Fax: <u>(303)294-1251</u> Email: <u>georgina.kovacic@pxd.com</u>							
7. Well Name: <u>VALLEJO</u>		Well Number: <u>32-19 TR</u>					
8. Unit Name (if appl): <u>NA</u>		Unit Number: <u>NA</u>					
9. Proposed Total Measured Depth: <u>1530</u>							
<b>WELL LOCATION INFORMATION</b>							
10. QtrQtr: <u>SW/NE</u> Sec: <u>19</u> Twp: <u>33S</u> Rng: <u>67W</u> Meridian: <u>6</u> Latitude: <u>37.160720</u> Longitude: <u>-104.924000</u>							
Footage at Surface: <u>1581</u> feet <u>FNL</u> <u>1420</u> feet <u>FEL</u> <small style="margin-left: 100px;">FNL/FSL</small> <small style="margin-left: 100px;">FEL/FWL</small>							
11. Field Name: <u>Purgatoire River</u>		Field Number: <u>70830</u>					
12. Ground Elevation: <u>7341</u>		13. County: <u>LAS ANIMAS</u>					
14. GPS Data: Date of Measurement: <u>01/06/2011</u> PDOP Reading: <u>7.7</u> Instrument Operator's Name: <u>R. Coberly</u>							
15. If well is <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>325</u> ft							
18. Distance to nearest property line: <u>362</u> ft    19. Distance to nearest well permitted/completed in the same formation: _____ ft							
<b>LEASE, SPACING AND POOLING INFORMATION</b>							
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			

**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: 283 ft 26. Total Acres in Lease: 29

**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	33.38	0	6			
SURF	11	8+5/8	24	0	305	64	305	0
1ST	7+7/8	5+1/2	15.5	0	1,530	227	1,530	0

32. BOP Equipment Type:  Annular Preventer  Double Ram  Rotating Head  None  
33. Comments Conductor casing will be hammered in. This APD was previously submitted as Vallejo 32-19 R.

34. Location ID: 333761  
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: 2/10/2011 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. Noshin Director of COGCC Date: 5/29/2011

**API NUMBER**  
05 071 09337 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/28/2013

**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.

Operator agrees that prior to rigging up the overhead power line will be de-activated or moved a sufficient distance to comply fully with 603.a.1.

Equivalent Raton coals will not be produced simultaneously from the following wells: Vallejo 32-19 & Vallejo 32-19TR.

- 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 WW w/in 1/4 mile Rcpt#450595B do not perforate above 370'.

**Attachment Check List**

Att Doc Num	Name
2111227	SURFACE CASING CHECK
400132012	FORM 2 SUBMITTED
400132293	CONSULT NOTICE
400132294	LEGAL/LEASE DESCRIPTION
400132297	WELL LOCATION PLAT
400132298	30 DAY NOTICE LETTER
400132348	WAIVERS

Total Attach: 7 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	That would work. The COA is ok. Thanks, Georgina Kovacic	5/24/2011 11:10:30 AM
Permit	Julie placed these two APD's ON HOLD due to the proximity of an overhead power line. She said that Pioneer was going to move or have moved the power line to an acceptable distance. This statement was entered just short of two months ago. These have been in the queue far too long. I have been notified to make the request once more and if no positive response is received by Monday May 30 then these APD's should be withdrawn.	5/23/2011 2:54:09 PM
Permit	Per Rule 603.a (1) the Operator intends to move the existing Power Line to a new location 350' SE to the County Road; discussed this with the Operator and requested a letter to substantiate the Power Line relocation. JLV	3/29/2011 4:30:48 PM

Total: 3 comment(s)

**BMP**

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

Total: 0 comment(s)