

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:
400135891
Plugging Bond Surety

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER CO2
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

3. Name of Operator: KINDER MORGAN CO2 CO LP 4. COGCC Operator Number: 46685

5. Address: 17801 HWY 491
City: CORTEZ State: CO Zip: 81321

6. Contact Name: Paul Belanger Phone: (970)882-2464 Fax: (970)882-5521
Email: Paul_Belanger@kindermorgan.com

7. Well Name: GOODMAN POINT (GP) Well Number: 23

8. Unit Name (if appl): MCELMO DOME Unit Number: 47653X

9. Proposed Total Measured Depth: 10518

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 32 Twp: 37N Rng: 18W Meridian: N
Latitude: 37.423480 Longitude: -108.848010

Footage at Surface: 1544 feet FNL 448 feet FEL
FNL/FSL FEL/FWL

11. Field Name: MCELMO Field Number: 53674

12. Ground Elevation: 6460 13. County: MONTEZUMA

14. GPS Data:

Date of Measurement: 12/19/2008 PDOP Reading: 1.8 Instrument Operator's Name: Gerald G. Huddleston

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
1679 FNL 1528 FEL 1914 FNL 1868 FWL
Sec: 32 Twp: 37N Rng: 18W Sec: 32 Twp: 37N Rng: 18W

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: 5280 ft

18. Distance to nearest property line: 4650 ft 19. Distance to nearest well permitted/completed in the same formation: 85 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.)
Leadville	LDVLL	389-1	203234	

21. Mineral Ownership: Fee State Federal Indian Lease #: COC22373/1
2038

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):
2 LEASES INVOLVED: COC022373 (318.52 ac.): EAST HALF S32 37N18W (316.6 ac.); COC12038: WEST 1/2 S32 37N18W. See attached lease documents and maps. Nearest well is 85' status DA. Fed lease Sundry attached due to change of BHLand due to entering into W 1/2 S32 (COC 012038)

25. Distance to Nearest Mineral Lease Line: 400 ft 26. Total Acres in Lease: 635

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: de-water and cover

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
OPEN HOLE	4+3/4			8457				8,457

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

33. Comments HORIZONTAL APD FOR PILOT APD DOCNUM 2583582 for which a Sundry has been submitted for a newly defined directional Pilot Hole. The originally approved APD had been for one horizontally drilled borehole drilled to the south; geologic re-evaluation also altered original plan changing BHL azimuth to the west. Fed permit for east 1/2 S32 attached; Fed permit Sundry for W 1/2 S32 attached. This APD is for completing the horizontal leg of this well from the KOP at 8457' whereby the wellbore is completed open hole and not logged or perf'd.

34. Location ID: 393066

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: Paul E. Belanger

Title: Regulatory Contractor Date: 4/22/2011 Email: Paul_Belanger@KinderMorgan.

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: 5/31/2011

Permit Number: _____ Expiration Date: 5/30/2013

API NUMBER

05 083 06688 01

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 spud to COGCC M. Weems at 970-259-4587 or mark.weems@state.co.us
- 2) The operator shall comply with Rule 321 and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well.
- 3) Run and submit Directional Survey for primary well bore and for each lateral section

Attachment Check List

Att Doc Num	Name
400135891	FORM 2 SUBMITTED
400156439	H2S CONTINGENCY PLAN
400156440	UNIT CONFIGURATION MAP
400156442	DRILLING PLAN
400156443	DEVIATED DRILLING PLAN
400156444	FED. DRILLING PERMIT
400156445	WELL LOCATION PLAT
400156518	TOPO MAP
400156827	LEASE MAP
400156833	LEGAL/LEASE DESCRIPTION
400157154	FED. DRILLING PERMIT

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
LGD	The Board of County Commissioners approved the high impact permit request for the proposed well pad, well and tie-in pipelines on April 18, 2011. All County permits are in place.	4/25/2011 9:18:20 AM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)