

<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		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:

400165558

Plugging Bond Surety

20100210

3. Name of Operator: <u>XTO ENERGY INC</u>	4. COGCC Operator Number: <u>100264</u>
5. Address: <u>382 CR 3100</u>	
City: <u>AZTEC</u>	State: <u>NM</u> Zip: <u>87410</u>
6. Contact Name: <u>Kelly Kardos</u> Phone: <u>(505)333-3145</u> Fax: <u>(505)213-0546</u>	
Email: <u>kelly_kardos@xtoenergy.com</u>	
7. Well Name: <u>HOCKER</u>	Well Number: <u>3-35</u>
8. Unit Name (if appl): _____	Unit Number: _____
9. Proposed Total Measured Depth: <u>3002</u>	

**WELL LOCATION INFORMATION**

10. QtrQtr: <u>SESE</u> Sec: <u>35</u> Twp: <u>33N</u> Rng: <u>7W</u> Meridian: <u>N</u>
Latitude: <u>37.056080</u> Longitude: <u>-107.573200</u>
Footage at Surface: <u>1000</u> feet <u>FSL</u> <u>1216</u> feet <u>FEL</u>
11. Field Name: <u>IGNACIO BLANCO</u> Field Number: <u>38300</u>
12. Ground Elevation: <u>6316</u> 13. County: <u>LA PLATA</u>

14. GPS Data:  
 Date of Measurement: 09/15/2008    PDOP Reading: 6.0    Instrument Operator's Name: DAVID ALEXANDER

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>1630</u>	<u>FSL</u>	<u>855</u>	<u>1782</u>	<u>FSL</u>	<u>774</u>
		<u>FEL</u>			<u>FEL</u>
Sec: <u>35</u>	Twp: <u>33N</u>	Rng: <u>7W</u>	Sec: <u>35</u>	Twp: <u>33N</u>	Rng: <u>7W</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: 1625 ft

18. Distance to nearest property line: 1000 ft    19. Distance to nearest well permitted/completed in the same formation: 765 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	112-185	320	E/2

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: I-22-IND-2759

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 Bond  \$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. 35: SE/4, SEC. 36: S/2

25. Distance to Nearest Mineral Lease Line: 774 ft 26. Total Acres in Lease: 480

**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: CLOSED LOOP MUD SYST

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	0	225	134	225	0
1ST	7+7/8	5+1/2	15.5	0	3,002	380	3,002	0

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

33. Comments No conductor csg will be set. Proposed well will be drilled from existing Ute A 1R Govt. E/2 is covered by CA COC 065449.

34. Location ID: 306767

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: 5/17/2011 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. Nesline Director of COGCC Date: 6/17/2011

**API NUMBER**  
05 067 09860 00

Permit Number: \_\_\_\_\_ Expiration Date: 6/16/2013

**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.

1) Provide 48 hour notice of spud to COGCC District Engineer-Mark Weems 970-259-4587 or mark.weems@state.co.us

**Attachment Check List**

Att Doc Num	Name
400165558	FORM 2 SUBMITTED
400165593	DEVIATED DRILLING PLAN
400165594	PLAT
400165595	TOPO MAP
400165596	CONSULT NOTICE
400165597	PROPOSED BMPs
400165599	SURFACE AGRMT/SURETY
400165600	FED. DRILLING PERMIT

Total Attach: 8 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Sorry. Line #17 on Form 2 should be 1,625' Kelly K. Kardos	6/15/2011 9:15:15 AM
Permit	Issue: On the form 2A in the Cultural & Soil tab you have "distance, in feet, to nearest building 2260, public road 1625', above ground utility: 1625', railroad 10560, property line: 1000'. BUT on the form 2 Line # 17 Distance to the nearest building, public road, above ground utility or railroad as 1000'. emailed Kelly Kardow for clarification. BY	6/13/2011 1:09:32 PM

Total: 2 comment(s)

**BMP**

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<u>Type</u>	<u>Comment</u>
Wildlife	<p>The Hocker #3-35 will be drilled from the existing Ute #A 1R Govt well pad to reduce surface disturbance impacts. Reduces area necessary for well pad construction. Utilize existing infrastructure for operations.</p> <p>A closed-loop mud system will be used during drilling operations.</p> <p>Surface equipment that could be potentially damaging to wildlife will be fenced with cattle panels. Prevents wildlife entry to potentially harmful equipment.</p> <p>The access road will be gated in order to restrict general public access.</p> <p>Construction, drilling and completion activities will be scheduled to avoid critical winter use periods for deer and elk December 1 - April 15.</p> <p>Recycle drilling fluids. Mud systems are dewatered, recycled and water is reused during drilling operations, reducing the amount of water needed to be trucked for drilling operations. Mud can be transported to next drilling location, reducing truck traffic to dispose of drilling fluids.</p> <p>Adhere to the developed weed management plan pursuant to both the La Plata County Land Use Code and Colorado Noxious Weed Act. Protects the productivity of adjacent wildlife habitats.</p> <p>Screen exhaust and vent stacks to preclude avian perching.</p> <p>Standard wildlife friendly seed mixes developed by the CDOW specifically for the San Juan Basin will be used for reclamation.</p> <p>Educate employees and contractors on wildlife conservation practices, including no harassment or feeding of wildlife.</p> <p>Forbid use of firearms and dogs on location.</p> <p>Utilize bear proof dumpsters and trash receptacles for food related trash at all facilities that generate such trash.</p>
Construction	<p>Certificate to Discharge Under CDPS General Permit No. COR-03000 Stormwater Discharges Associated with Construction Certification No. COR03C483. A Field Wide Stormwater Management Plan (SWMP) for the La Plata Infill Program is on file at the XTO Energy Inc. office. A Site Specific SWMP with a Site Plan will be developed for each location. Inspections of the project site and maintenance of BMP's installed shall be conducted in accordance with the CDPHE CDPS permit &amp; field wide plan. Spill Prevention and Counter Measures (SPCC) for the La Plata Infill Program is on file at the XTO Energy Inc. office. The Field SWMP and Site Specific SWMP each address SPCC during construction operations. See attached diagram for site specific BMP's.</p>

Total: 2 comment(s)