

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400372240

Date Received:

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

PluggingBond SuretyID

20060104

3. Name of Operator: SIMMONS, INC.* D. J.

4. COGCC Operator Number: 100178

5. Address: 1009 RIDGEWAY PL STE 200

City: FARMINGTON State: NM Zip: 87401

6. Contact Name: Chris Lopez Phone: (505)326-3753 Fax: (505)327-4659

Email: clopez@djsimmons.com

7. Well Name: Pinto Well Number: 3-17

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

9. Proposed Total Measured Depth: 6350

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 17 Twp: 39N Rng: 19W Meridian: N

Latitude: 37.639560 Longitude: -108.967600

Footage at Surface: 2498 feet FNL/FSL FNL 2523 feet FEL/FWL FWL

11. Field Name: Papoose Canyon Field Number: _____

12. Ground Elevation: 6682 13. County: DOLORES

14. GPS Data:

Date of Measurement: 04/01/2012 PDOP Reading: 1.8 Instrument Operator's Name: Basin surveying - John D. Wayne

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: 2400 ft

18. Distance to nearest property line: 120 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2300 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Desert Creek | DSCR | 231-2 | 160 | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC 36140

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 20060104

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):

Township 39 North, Range 19 West, N.M.P.M.: Section 16 - N2/SW, SE/SW; Section 17 - N2/NE, SE/NE, N2/NW, SE/NW, Dolores County, Colorado

25. Distance to Nearest Mineral Lease Line: 145 ft

26. Total Acres in Lease: 360

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: Lined Earthen 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 | 17+1/2 | 13+3/8 | 48 | 0 | 50 | 31 | 50 | 0 |
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 2,100 | 720 | 2,100 | 0 |
| 1ST | 7+7/8 | 5+1/2 | 17 | 0 | 6,350 | 620 | 6,350 | 2,000 |

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

33. Comments

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: Chris S. Lopez

Title: Regulatory Specialist Date: _____ Email: clopez@djsimmons.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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Data retrieval failed for the subreport 'IntPolicy_MTO' located at: W:\Inetpub\Net\Reports\policy_mto.rdl. Please check th

Attachment Check List

| Att Doc Num | Name |
|-------------|-----------------------|
| 400373083 | TOPO MAP |
| 400373084 | LEASE MAP |
| 400373097 | PLAT |
| 400373118 | FED. DRILLING PERMIT |
| 400373168 | DRILLING PLAN |
| 400373169 | EXCEPTION LOC WAIVERS |

Total Attach: 6 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> |
|-------------|---|
| Planning | <p>The sequence of activities for the project is as follows:</p> <ol style="list-style-type: none">1) Construct well access road<ul style="list-style-type: none">- Install pre/during BMP's;- Blade, level, crown and construct drain ditch for access road to well pad.2) Construct well pad<ul style="list-style-type: none">- Install pre/during BMP's at well pad;- Construct well pad by leveling (with cut and fill), including pits;- Set-up completion rig including light plant and mud pits;- Complete the well;- Set surface facilities such as meter run, separator, and storage tanks.3) Construct well-tie pipeline right of way<ul style="list-style-type: none">- Install pre/during BMP's;- Level right-of-way;- Excavate ditch;- String pipe;- Bend pipe;- Weld pipe;- Lower-in pipe;- Shade-in pipe;- Hydrostat pipe test;- Backfill ditch;- Restore area for interim reclamation. |

| | |
|--------------|--|
| Construction | <p>The BMP's that will be used during construction activities are based on EPA Guidance documents and training sessions, Colorado Discharge Permit System, Colorado Department of Transportation training sessions and publications, good engineering practices, International Erosion Control Association training sessions and publications, and Stormwater publications.</p> <p>The BMP's to be used on this project for pre/during construction will be 9-inch diameter fiber logs, hay bales and a sediment trap. The post construction BMP's will be 9-inch fiber logs, hay bales, sediment trap and earth berms. The BMP's were designed specifically for this project to contain sediments on the project site with the intention of not allowing the sediments or any possible pollutants off-site and more specifically not to reach the drainage of Squaw Canyon.</p> <ul style="list-style-type: none"> - The fiber logs are designed to function for flows up to 4 cubic feet per second before failure generally occurs. One third the diameter (3-inches) of the fiber log will be placed in ground and staked down with 24-inch wooden stakes. The fiber logs will be placed a distance of three feet outside the toe of the well pad, the toe of the berms disturbance, and on the downhill side of the toe of the access road until restoration is achieved. - The hay bales and sediment trap will be located at the lowest point of the project area, allowing for outfall of stormwater but at the same time trapping sediments before outfall occurs. - Windrow berming shall be approximately 12-inches in height by 3-feet in width and shall be constructed on the uphill and downhill sides of the well pad to allow for an outfall of stormwater but at the same time trapping sediments before the outfall occurs. - Should dust become a problem on the project site, then dust abatement technique of wetting the soil to keep airborne dust particles down may be applied to the site or any other dust abatement technique the contractor may select that is acceptable by Dolores County, Colorado. <p>The BMP's shall be installed on the access road and well pad location before surface disturbing activities begin. The BMP's will be checked before each sequence of construction for integrity and prior to drilling completion activities or pipeline activities begin. The BMP's will remain in working order until they are no longer necessary or restoration is complete.</p> |
|--------------|--|

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|--|---|
| Material Handling and Spill Prevention | <p>The following are examples of measures that will be taken to minimize generation of dust, construction materials and waste handling and storage, spill prevention and response:</p> <ul style="list-style-type: none"> - Up-to-date Material Safety Data Sheets for all chemicals used on-site are maintained. It is not anticipated that reportable quantities of acids, solvents, paints, chemicals or other liquids will be stored or used for construction purposes. - Drums and containers will be clearly labeled. Drums of hazardous waste are labeled and dated per regulatory requirements. - Accumulation of waste on-site is limited. - Best Management Practices are implemented. - Chemicals that are poured into smaller containers, the secondary containers will be clearly labeled and dedicated to one material. Funnels or other aids to reduce spills, drips and splashes are used during pouring. - Secondary containment is covered to prevent the mixing of released materials with precipitation. - Proper pumps for fueling are provided to reduce leaks and spills. Drip pans are installed for fueling nozzles. Drip pans will be cleaned regularly and will not be allowed to accumulate water. - Storage areas, containment areas and spill response kits are inspected regularly. - Proper signage is installed for hazardous materials storage areas. - Leaks are repaired promptly and spilled material and contaminated media are cleaned up immediately. - Available equipment (spill pallets, mats, absorbants) is used to reduce spills, leaks and drips as well as their impacts. - Tailgate safety meetings are held with all personnel prior to each construction or drilling activity. <p>The CDPHE will be notified of any upset or accidental spill (SWMP Administrator, (877) 518-5608) and the spill will be cleaned up immediately and the contaminated soils will be either land farmed or land filled in accordance with the State, Federal or Dolores County requirements. Where a release of hazardous substance or oil exceeds the reportable quantity established under 40 CFR 110, 40 CFR 117, or 40 CFR 302 during a 24-hour period, the operator must:</p> <ol style="list-style-type: none"> -1) Contact SWMP Administrator (877) 518-5608 2) Notify the National Response Center (800) 424-8802 or (202) 426-2675 3) Update the Plan within 7 days to address reoccurrences of such releases. |
| Storm Water/Erosion Control | Storm water erosion BMP's are designed to reduce, prevent or control pollution by entraining sediments in runoff during and after construction. |
| Interim Reclamation | <p>Interim site reclamation will be achieved in the following manner:</p> <ul style="list-style-type: none"> - Grading and establishing original grade to contour; - Restore and replace topsoil to non-working areas; - Constructing proper drainage; - Installing interim BMP's (re-seeding, preventing noxious weeds); - Maintaining interim BMP's and contouring. |

Total: 5 comment(s)