

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



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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:

400004481

Plugging Bond Surety

20040083

3. Name of Operator: PIONEER NATURAL RESOURCES USA INC

4. COGCC Operator Number: 10084

5. Address: 1401 17TH ST STE 1200

City: DENVER State: CO Zip: 80202

6. Contact Name: Georgina Kovacik Phone: (303)675-2611 Fax: (303)294-1251

Email: georgina.kovacik@pxd.com

7. Well Name: Holst Well Number: 41-6

8. Unit Name (if appl): Cottontail Pass Unit Number: COC59968A

9. Proposed Total Measured Depth: 2460

WELL LOCATION INFORMATION

10. QtrQtr: NE/NE Sec: 6 Twp: 33S Rng: 66W Meridian: 6

Latitude: 37.204510 Longitude: -104.812290

Footage at Surface: 1145 FNL/FSL FNL 152 FEL/FWL FEL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 7484 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 04/15/2009 PDOP Reading: 1.5 Instrument Operator's Name: R. Coberly

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: 17490 ft

18. Distance to nearest property line: 152 ft 19. Distance to nearest well permitted/completed in the same formation: 1318 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.)
Raton/Vermejo	RT-VJ			

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#: 20040084

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: 152 ft 26. Total Acres in Lease: 120

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☒ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	12+3/4	12+3/4	33.38 ppf	6			
SURF	11	8+5/8	24 ppf	580	117	580	0
1ST	7+7/8	5+1/2	15.5 ppf	2,460	364	2,460	0

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

33. Comments Surface casing exception required for 560 ft. COGCC requires surface casing depth of 780 ft this would leave behind ~7 ft of net Raton. ~20% of net TR Coal. Water well is 4930 ft south of the location.

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: Georgina Kovacik

Title: Engineering Tech Date: 9/11/2009 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. Neslin Director of COGCC Date: 11/24/2009

API NUMBER

05 071 09775 00

Permit Number: _____ Expiration Date: 11/23/2011

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 MIRU to John Duran at 719-846-4715. 2) Set at least 580' of surface casing per Rule 317d, cement to surface. Due to water well (340' deep @ 1900' SW) with TD elevation below proposed surface casing setting depth the COGCC staff will only grant a partial exception to the 1-mile radius review for surface casing requirement. Note: 875' of surface casing would be required to cover 50' below TD elevation of all WW's within a 1 mile radius. 3) Provide cement coverage of production casing from TD to surface casing shoe or above. Verify coverage with cement bond log. 4) Immediately cease operations and notify the COGCC in the event of any operational problem that could potentially impact water wells in the area.

Attachment Check List

Att Doc Num	Name	Doc Description
2097542	SURFACE CASING CHECK	LF@2157146 2097542
400004482	WELL LOCATION PLAT	LF@2149963 400004482
400004483	LEGAL/LEASE DESCRIPTION	LF@2149964 400004483
400004486	30 DAY NOTICE LETTER	LF@2149965 400004486
400004487	CONST. LAYOUT DRAWINGS	LF@2149966 400004487
400004488	CONSULT NOTICE	LF@2149967 400004488
400004489	SURFACE AGRMT/SURETY	LF@2149968 400004489
400004490	SURFACE AGRMT/SURETY	LF@2149969 400004490
400004491	SURFACE AGRMT/SURETY	LF@2149970 400004491
400004492	SURFACE AGRMT/SURETY	LF@2149971 400004492
400004493	WAIVERS	LF@2149972 400004493
400004494	OTHER	LF@2149973 400004494
400004495	OTHER	LF@2149974 400004495
400004497	LOCATION PICTURES	LF@2149975 400004497
400004498	LOCATION PICTURES	LF@2149976 400004498
400004891	TOPO MAP	LF@2150106 400004891

Total Attach: 16 Files