

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:
400034637
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 Kovacic Phone: (303)675-2611 Fax: (303)294-1251
Email: georgina.kovacic@pxd.com

7. Well Name: Blarney Well Number: 21-27

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

9. Proposed Total Measured Depth: 975

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 27 Twp: 34S Rng: 65W Meridian: 6

Latitude: 37.062140 Longitude: -104.659070

Footage at Surface: 285 FNL/FSL FNL 2423 FEL/FWL FWL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 6671 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 05/13/2008 PDOP Reading: 1.6 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: 362 ft

18. Distance to nearest property line: 2862 ft 19. Distance to nearest well permitted/completed in the same formation: 1308 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	NA		NA

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: 2937 ft 26. Total Acres in Lease: 20000

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	6			
SURF	11	8+5/8	24	350	73	350	0
1ST	7+7/8	5+1/2	15.5	975	144	975	0

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

33. Comments Surface casing exception required for 350 ft due to the COGCC requiring surface casing depth of 600 ft. This would leave behind ~16 ft of net Raton/Vermejo ~40% of net TR/KV coal. Water well is 4940 ft away receipt no. 036979.

34. Location ID: 309519

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: 2/4/2010 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. Nash Director of COGCC Date: 3/26/2010

API NUMBER	Permit Number: _____	Expiration Date: <u>3/24/2012</u>
05 071 09641 00	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 email John.Duran@state.co.us. 2) Provide cement coverage of production casing from TD to surface casing shoe or above. Verify coverage with cement bond log. NOTE: There is a water well ½-mile to 1-mile from the proposed well location with bottom hole elevation deeper than the proposed surface casing setting depth that may be completed in a coal seam of interest for this well (500' @4900' NE). Exception for 350' of surface casing granted, otherwise 600' of surface casing would be needed to cover all water wells within a 1-mile radius. 3) Immediately cease operations and notify the COGCC in the event of any operational problem that could impact water wells in the area.

Attachment Check List

Att Doc Num	Name	Doc Description
2099265	SURFACE CASING CHECK	LF@2426499 2099265
400035323	30 DAY NOTICE LETTER	LF@2423367 400035323
400035326	LEGAL/LEASE DESCRIPTION	LF@2423368 400035326
400035327	CONSULT NOTICE	LF@2423369 400035327
400035328	WELL LOCATION PLAT	LF@2423370 400035328
400039358	FORM 2 SUBMITTED	LF@2423371 400039358

Total Attach: 6 Files