

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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| DE | ET | OE | ES |
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Document Number:

400072788

Plugging Bond Surety

20040083

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

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: PHIPPS FEDERAL Well Number: 14-29

8. Unit Name (if appl): Spanish Peaks Unit Number: COC57890A

9. Proposed Total Measured Depth: 1920

WELL LOCATION INFORMATION

10. QtrQtr: SW/SW Sec: 29 Twp: 31S Rng: 65W Meridian: 6
 Latitude: 37.310540 Longitude: -104.703400

Footage at Surface: 612 FNL/FSL FSL 370 FEL/FWL FWL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 7140 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 03/21/2007 PDOP Reading: 7.6 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: 402 ft

18. Distance to nearest property line: 370 ft 19. Distance to nearest well permitted/completed in the same formation: 1557 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 #: COC057940

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: 370 ft 26. Total Acres in Lease: 40

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+7/8 | 8+5/8 | 24 | 650 | 136 | 650 | 0 |
| 1ST | 7+7/8 | 5+1/2 | 15.5 | 1,740 | 258 | 1,740 | 0 |

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

33. Comments This is a refill, all conditions remain the same as previously submitted and approved. The conductor casing will be hammered in.

34. Location ID: 309502

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: _____ 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: _____ Director of COGCC Date: _____

| | | |
|--------------------------------------|----------------------|------------------------|
| API NUMBER 05 071 09621 00 | 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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|-------------------------|-------------------------------------|
| 400072798 | WELL LOCATION PLAT | WELLplat_Phipps Federal 14-29.pdf |
| 400072799 | 30 DAY NOTICE LETTER | NOS_Phipps_Federal_14-29_resend.pdf |
| 400072800 | LEGAL/LEASE DESCRIPTION | LeaseDesc_Phipps_Federal_14-29.pdf |

Total Attach: 3 Files