

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:

400090884

Plugging Bond Surety

20020116

3. Name of Operator: XTO ENERGY INC

4. COGCC Operator Number: 100264

5. Address: 382 CR 3100

City: AZTEC State: NM Zip: 87410

6. Contact Name: Kelly Kardos Phone: (505)333-3145 Fax: (505)213-0546

Email: kelly_kardos@xtoenergy.com

7. Well Name: HENRY Well Number: 2-3

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

9. Proposed Total Measured Depth: 2887

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 2 Twp: 32N Rng: 7W Meridian: N

Latitude: 37.050810 Longitude: -107.572140

Footage at Surface: 919 FNL/FSL FNL 912 FEL/FWL FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6322 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 04/07/2010 PDOP Reading: 6.0 Instrument Operator's Name: RANDY D RUSSELL

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 707 FNL 864 FEL/FWL FEL Bottom Hole: FNL/FSL 660 FNL 660 FEL/FWL FEL
Sec: 2 Twp: 32N Rng: 7W Sec: 2 Twp: 32N Rng: 7W

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: 650 ft

18. Distance to nearest property line: 470 ft 19. Distance to nearest well permitted/completed in the same formation: 1050 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

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#: _____

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):
T32N, R7W, Sec. 2: NE/4, T33N, R7W, Sec. 35: N/2 NE/4, SW/4, S/2 NW/4

25. Distance to Nearest Mineral Lease Line: 660 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 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: 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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	225	134	225	0
1ST	7+7/8	5+1/2	15.5	2,887	366	2,887	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 the existing Tiffany B #1 well pad.

34. Location ID: 325075

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: 9/7/2010 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. Neslin Director of COGCC Date: 10/7/2010

API NUMBER

05 067 09839 00

Permit Number: _____ Expiration Date: 10/6/2012

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 spud to COGCC field inspector Leslie Melton (970) 375-6419 or les.melton@state.co.us
- 2) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log.
- 3) Run and submit Directional Survey from TD to kick-off point
- 4) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well.
- 5) Sample and test two closest water wells within 1/2 mile swath of the directional wellbore.
- 6) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales
- 7) Comply with all applicable provisions of Order 112-185

Attachment Check List

Att Doc Num	Name	Doc Description
1857162	SELECTED ITEMS REPORT	LF@2544708 1857162
400090884	FORM 2 SUBMITTED	LF@2540853 400090884
400090898	WELL LOCATION PLAT	LF@2540854 400090898
400090899	TOPO MAP	LF@2540855 400090899
400090901	CONSULT NOTICE	LF@2540856 400090901
400090902	PROPOSED BMPs	LF@2540857 400090902
400090903	DEVIATED DRILLING PLAN	LF@2540858 400090903
400090904	SURFACE AGRMT/SURETY	LF@2540859 400090904

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED	10/6/2010 9:15:13 AM
Permit	Change N/A to Feet for distances Section II	10/6/2010 8:54:37 AM
Permit	Discussion w/opr to get bonding issues corrected, resubmitted, are correct	9/13/2010 4:09:21 PM
Permit	Back to draft for same reasons	9/13/2010 2:21:22 PM
Permit	back to draft SUA and surface surety ID both utilized	9/10/2010 2:54:23 PM
Permit	push back to draft using plugging bond for surface surety that is not needed.	9/8/2010 3:49:59 PM

Total: 6 comment(s)

Error: Subreport could not be shown.