

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:
400076910
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: MODAVI Well Number: 31-16

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

9. Proposed Total Measured Depth: 1705

WELL LOCATION INFORMATION

10. QtrQtr: Lot 9 Sec: 16 Twp: 34S Rng: 65W Meridian: 6
Latitude: 37.091420 Longitude: -104.672930

Footage at Surface: 181 FNL/FSL FNL 1619 FEL/FWL FEL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 7266 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 06/04/2010 PDOP Reading: 8.9 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: 515 ft

18. Distance to nearest property line: 374 ft 19. Distance to nearest well permitted/completed in the same formation: 1385 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#: _____

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: 2459 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	900	189	900	0
1ST	7+7/8	5+1/2	15.5	1,705	253	253	0

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

33. Comments The conductor will be hammered in. Surface casing exception required for 900 ft due to the COGCC requiring a surface casing depth of 1450 ft, this would leave behind ~15 to 20 ft of net Vermejo or ~100% of Net Kv Coal.

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 Kovacic

Title: Engineering Tech Date: 9/23/2010 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: 11/4/2010

API NUMBER 05 071 09833 00	Permit Number: _____	Expiration Date: <u>11/3/2012</u>
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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) Provide cement coverage of production casing from TD to surface casing shoe or above. Verify coverage with cement bond log.
- 3) Note: There are 2 water wells from ½-mile to 1-mile of the proposed well location with TD elevations below or within 50' of the proposed surface casing setting depth (Receipt #0384147 = 400' deep @ 4800' N and #0482048 = 330' deep @ 3600' NE). Exception for 900' of surface casing granted. Otherwise 960' of surface casing would be needed to cover 50' below the TD elevation of all water wells within a 1-mile radius.
- 4) 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
2512707	SURFACE CASING CHECK	LF@2603684 2512707
2586411	MINERAL LEASE MAP	LF@2611983 2586411
2586412	LEGAL/LEASE DESCRIPTION	LF@2611988 2586412
2586417	MINERAL LEASE MAP	LF@2612811 2586417
2586418	LEGAL/LEASE DESCRIPTION	LF@2612812 2586418
400076910	FORM 2 SUBMITTED	LF@2546466 400076910
400076919	30 DAY NOTICE LETTER	LF@2546467 400076919
400094641	WELL LOCATION PLAT	LF@2546468 400094641
400094642	SURFACE AGRMT/SURETY	LF@2546469 400094642
400094644	CONSULT NOTICE	LF@2546470 400094644

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	11/3/2010 9:39:02 AM
Permit	Operator emailed the correct distance to nearest mineral lease line, new attachments to replace the Legal Lease Description and Mineral Lease Map. JLV	11/3/2010 9:08:29 AM
Permit	Called Operator request Lease Description, distance to nearest lease line, total acres in lease, change QTR QTR to Lot 9 JLV	10/28/2010 8:19:15 AM

Total: 3 comment(s)

Error: Subreport could not be shown.