

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5 Lease Serial No. Surface Private BH COC-015396
1b Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other CO2 <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name ---
2 Name of Operator Kinder Morgan CO2 Company, L.P.		7 If Unit or CA Agreement, Name and No. Doe Canyon Unit
3a Address 17801 Hwy 491 Cortez, CO 81321		8 Lease Name and Well No. Doe Canyon #8
3b Phone No. (include area code) 970 882-5517		9 API Well No. 033-06132
4 Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1040' FSL & 1748' FEL At proposed prod. zone 2352' FSL & 3338' FEL		10 Field and Pool, or Exploratory Doe Canyon Unit
11 Sec, T R. M. or Blk. and Survey or Area Surface Section 13 T40N R18W BH Section 13 T40N R18W		12 County or Parish Dolores
13 State CO		14 Distance in miles and direction from nearest town or post office* Approximately 9 miles east of Cahone
15 Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drng. unit line, if any) 317	16 No of acres in lease 54,000	17 Spacing Unit dedicated to this well Venting / Flaring approved for 90 days per NTL-4A
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3 miles Federal 1	19 Proposed Depth 8550	20 BLM/BIA Bond No. on file CO1349
21 Elevations (Show whether DF, KDB, RT, GL, etc) 7224	22 Approximate date work will start* June 1, 2007	23 Estimated duration 1 - 2 Weeks
24 Attachments SEE ATTACHED CONDITIONS OF APPROVAL		
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form.		
1 Well plat certified by a registered surveyor		4 Bond to cover the operations unless covered by an existing bond on file (see item 20 above)
2 A Drilling Plan		5 Operator certification
3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPP must be filed with the appropriate Forest Service Office)		6 Such other site specific information and/or plans as may be required by the BLM
25 Signature <i>Jeannie M. Johnston</i>	Name (Printed/Typed) Jeannie M. Johnston	Date 3/14/2007
Title Business Supervisor		
APPROVED FOR A PERIOD NOT TO EXCEED 2 YEARS		
Approved by (Signature) <i>Robert L. Sieger</i>	Name (Printed/Typed) Robert L. Sieger	Date 6/6/2007
Title Acting Asst Center Manager San Juan Physical Resources - San Juan Public Lands Center		
Office San Juan Public Lands Center		
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon		
Conditions of approval, if any, are attached		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

OPERATOR'S COPY

RECEIVED

APR 18 2007

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed hereto...

Bureau of Land Management
Durango Colorado

RECEIVED

JUN 14 07

COGCC

SECTION
LINE
SECTION 13

FOUND A 1922 GLO
MONUMENT STAMPED
AP 1 TR 76
AP 4 TR 39

TRUE NORTH
STATE PLANE

S 01°46'48" W
5287.04'
(From GLO Plat)

TRACT
LINE
TRACT 76

FOUND A 1922 GLO
MONUMENT STAMPED
AP 2 TR 77
AP 3 TR 76

TRACT 76

TRACT 77

N 87°51'24" W
7527.96'
(From GLO Plat)

SCALE . 1" = 1/4 MILE



0 1/8 MI 1/4 MI

County Road 15

LEGEND

○ Well Location

◆ Found Monument As Shown

— Proposed Well Pad

--- Section Lines

Well Location Description

KINDER MORGAN CO2 COMPANY,
L.P.

DOE CANYON WELL #8
SURFACE LOCATION -

1040' FSL & 1748' FEL

7224.5' GROUND ELEVATION

BOTTOM HOLE LOCATION

2352' FSL & 3338' FEL

ALL IN SECTION 13, TRACT 76,

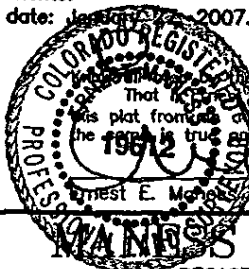
T 40 N, R 18 W, N.M.P.M.

DOLORES COUNTY, COLORADO

DCW #8

NOTES:

- *1) Bearings are based on GPS observations and converted to State Plane. (Rotation: 02°00'37" Clockwise, Scale: 0.999608.)
- 2) Surface ownership - Daves/Heaton
- 3) Elevations are based on GPS observations post processed with OPUS. Referenced by a monument at SE cor. Sec. 20 Elev. 7304.4 (Doe Canyon, Colo. Quad sheet Elev. 7303)
- 4) Surface area: Native shrubs and grasses.
- 5) Initial field survey: November 10, 2006.
- 6) No visible improvements other than those shown are within 200' of site.
- 7) Well locations based on GPS observations:
Surface - Lat. 37.72887N Long. 108.78655W
Surface - UTM 4178040N, 695060E NAD 83 Zone 12
Bottom Hole - Lat. 37.73248N Long. 108.79177W
Bottom Hole - UTM 4178429N, 694591E NAD 83 Zone 12
- 8) GPS receivers set to exclude PDOP values over 6.
- 9) Partial Section 13, Tract 76 dimensions from 1927 GLO Plat, others are field measurements.
- 10) Revision date: January 22, 2007.


Ernest E. Maness & Associates Inc.
REGISTERED LAND SURVEYORS

28 S. Washington - P.O. Box 1163 - Cortez, CO. 81321
Date: December 14, 2006 Phone: 970/565-8845 File: 2006-10-R10