

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 CO2  
 SINGLE ZONE  MULTIPLE ZONE  COMMINGLE ZONE

Refilling   
 Sidetrack

Document Number:  
400109772  
Plugging Bond Surety

3. Name of Operator: KINDER MORGAN CO2 CO LP 4. COGCC Operator Number: 46685

5. Address: 17801 HWY 491  
 City: CORTEZ State: CO Zip: 81321

6. Contact Name: Paul Belanger Phone: (970)882-2464 Fax: (970)882-5521  
 Email: Paul\_Belanger@kindermorgan.com

7. Well Name: HF Well Number: 3

8. Unit Name (if appl): MCELMO DOME Unit Number: 047653X

9. Proposed Total Measured Depth: 8334

WELL LOCATION INFORMATION

10. QtrQtr: LOT 7 Sec: 7 Twp: 37N Rng: 18W Meridian: N  
 Latitude: 37.483450 Longitude: -108.884871

Footage at Surface: 828 feet FNL 84 feet FWL

11. Field Name: MCELMO Field Number: 53674

12. Ground Elevation: 6638 13. County: MONTEZUMA

14. GPS Data:

Date of Measurement: 11/25/2009 PDOP Reading: 3.5 Instrument Operator's Name: Gerald G. Huddles ton

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: 3050 ft

18. Distance to nearest property line: 828 ft 19. Distance to nearest well permitted/completed in the same formation: 1835 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.)
Leadville	LDVLL	389-1	203234	

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: COC 012039

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 LEGAL LEASE, LEASE MAP

25. Distance to Nearest Mineral Lease Line: 84 ft 26. Total Acres in Lease: 554

### 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: de-water and cover

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	14			80	40	80	0
SURF	12+1/4	9+5/8	36		2,881	800	2,881	0
1ST	8+3/4	7	29		8,159	1,380	8,159	0
OPEN HOLE	6				8,334	100	8,334	8,159

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

33. Comments This well is the Pilot hole for the planned lateral that was later completed; it is labeled a sidetrack since HF-3form 1916205 for the original horizontal APD for API 05-083-06646-00 HF-3 - horizontal well originally permitted.

34. Location ID: 313621

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: Paul E. Belanger

Title: Regulatory Contractor Date: \_\_\_\_\_ Email: Paul\_Belanger@KinderMorgan.

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: \_\_\_\_\_

<b>API NUMBER</b> 05 083 06646 01	Permit Number: _____ Expiration Date: _____
<b>CONDITIONS OF APPROVAL, IF ANY:</b>	

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.

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**Attachment Check List**

Att Doc Num	Name
400116920	H2S CONTINGENCY PLAN
400116921	UNIT CONFIGURATION MAP
400116924	WELLBORE DIAGRAM
400116925	DRILLING PLAN
400116927	WELL LOCATION PLAT
400116928	LEGAL/LEASE DESCRIPTION
400116929	FED. DRILLING PERMIT
400116930	TOPO MAP
400116948	LEASE MAP

Total Attach: 9 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

**BMP**

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)