

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



DE ET OE ES

Document Number:
400147420
Plugging Bond Surety
20100210

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: 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: HOCKER Well Number: 4-35

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

9. Proposed Total Measured Depth: 2494

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 35 Twp: 33N Rng: 7W Meridian: N
Latitude: 37.065170 Longitude: -107.573080

Footage at Surface: 945 feet FNL 1210 feet FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6342 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 04/13/2010 PDOP Reading: 1.3 Instrument Operator's Name: DAVID ALEXANDER JOHNSON

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 _____
714 FNL 765 FEL 660 FNL 660 FEL
Sec: 35 Twp: 33N Rng: 7W Sec: 35 Twp: 33N 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: 138 ft 19. Distance to nearest well permitted/completed in the same formation: 350 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):
SEC. 35, T33N, R7W: N/2 NE/4

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 80

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	225	134	225	0
1ST	7+7/8	5+1/2	15.5	0	2,949	377	2,949	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 existing Hocker #35-2 & Tiffany #2 well pad. The Tiffany #2 is operated by Williams.

34. Location ID: 312072

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: 3/29/2011 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: 5/10/2011

API NUMBER: **05 067 09853 00** Permit Number: _____ Expiration Date: 5/9/2013

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 to M. Weems @ 970-259-4587 or mark.weems@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 112-181

Attachment Check List

Att Doc Num	Name
1857184	SELECTED ITEMS REPORT
400147420	FORM 2 SUBMITTED
400147465	WELL LOCATION PLAT
400147466	TOPO MAP
400147467	CONSULT NOTICE
400147468	PROPOSED BMPs
400147469	DEVIATED DRILLING PLAN
400147470	SURFACE AGRMT/SURETY
400147471	EXCEPTION LOC REQUEST

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Signed waiver and waiver request letter were submitted. BY	5/10/2011 7:13:21 AM
Permit	I will return this form to DRAFT and ask that you place those BMP's into the BMP tab. BY Kelly Kardos transfered the BMP's to the BMP tab. BY	3/30/2011 7:24:18 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Wildlife	<p>The Hocker #4-35 will be drilled from the existing Hocker #35-2 well pad to reduce surface disturbance impacts. Reduces area necessary for well pad construction. Utilize existing infrastructure for operations.</p> <p>A closed-loop mud system will be used during drilling operations.</p> <p>Surface equipment that could be potentially damaging to wildlife will be fenced with cattle panels. Prevents wildlife entry to potentially harmful equipment.</p> <p>The access road will be gated in order to restrict general public access.</p> <p>Construction, drilling and completion activities will be scheduled to avoid critical winter use periods for deer and elk December 1 - April 15.</p> <p>Recycle drilling fluids. Mud systems are dewatered, recycled and water is reused during drilling operations, reducing the amount of water needed to be trucked for drilling operations. Mud can be transported to next drilling location, reducing truck traffic to dispose of drilling fluids.</p> <p>Adhere to the developed weed management plan pursuant to both the La Plata County Land Use Code and Colorado Noxious Weed Act. Protects the productivity of adjacent wildlife habitats.</p> <p>Screen exhaust and vent stacks to preclude avian perching.</p> <p>Standard wildlife friendly seed mixes developed by the CDOW specifically for the San Juan Basin will be used for reclamation.</p> <p>Educate employees and contractors on wildlife conservation practices, including no harassment or feeding of wildlife.</p> <p>Forbid use of firearms and dogs on location.</p> <p>Utilize bear proof dumpsters and trash receptacles for food related trash at all facilities that generate such trash.</p>
Construction	<p>Certificate to Discharge Under CDPS General Permit No. COR-03000 Stormwater Discharges Associated with Construction Certification No. COR03C483. A Field Wide Stormwater Management Plan (SWMP) for the La Plata Infill Program is on file at the XTO Energy Inc. office. A Site Specific SWMP with a Site Plan will be developed for each location. Inspections of the project site and maintenance of BMP's installed shall be conducted in accordance with the CDPHE CDPS permit & field wide plan. Spill Prevention and Counter Measures (SPCC) for the La Plata Infill Program is on file at the XTO Energy Inc. office. The Field SWMP and Site Specific SWMP each address SPCC during construction operations. See attached diagram for site specific BMP's.</p>

Total: 2 comment(s)