

APPLICATION FOR PERMIT TO:

1. **Drill,** Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____

SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

Document Number:

2285392

PluggingBond SuretyID

3. Name of Operator: RED WILLOW PRODUCTION COMPANY 4. COGCC Operator Number: 81295

5. Address: P O BOX 369
City: IGNACIO State: CO Zip: 81137

6. Contact Name: ANGELA SIMONS Phone: (970)563-5166 Fax: (970)563-5161
Email: ASIMONS@RWPC.US

7. Well Name: SOUTE FC 32-8 Well Number: 3-14

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

9. Proposed Total Measured Depth: 4294

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 3 Twp: 32N Rng: 8W Meridian: N
Latitude: 37.049720 Longitude: -107.709160

Footage at Surface: 1328 feet FNL 1332 feet FWL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 7215 13. County: LA PLATA

14. GPS Data:
Date of Measurement: 09/11/2007 PDOP Reading: 3.0 Instrument Operator's Name: SCOTT WEIBE

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

2383 FNL 763 FWL 2500 FNL 700 FWL

Sec: 3 Twp: 32N Rng: 8W Sec: 3 Twp: 32N Rng: 8W

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: 5280 ft

18. Distance to nearest property line: 3900 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1250 ft

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	112-190	320	W/2

21. Mineral Ownership: Fee State Federal Indian Lease #: 142015126

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 Bond \$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):

ALL SECTIONS 3,4, 9 & 10 T32N R08W

25. Distance to Nearest Mineral Lease Line: 1328 ft

26. Total Acres in Lease: 2560

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: EVAPORATION & BURIAL

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		500	350	500	0
1ST	7+7/8	5+1/2	17		4,294	804	4,294	0

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

33. Comments NO CHANGES HAVE BEEN MADE TO THE ORIGINAL APD - NO CONDUCTOR CASING WILL BE USED.

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: ANGELA SIMONS

Title: DRILLING & PRODUCTION MGR Date: 10/25/2011 Email: ASIMONS@RWPC.US

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: 11/27/2011

API NUMBER

05 067 09607 00

Permit Number: _____ Expiration Date: 11/26/2013

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.

Attachment Check List

Att Doc Num	Name
2285392	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. BY	11/25/2011 10:30:04 AM
Engineer	None - S. Ute minerals and surf	11/10/2011 1:31:43 PM
Data Entry	CHECK CASING STRINGS.	10/31/2011 1:43:15 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)