

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400298789

Date Received:

06/22/2012

PluggingBond SuretyID

20010158

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 ☐

3. Name of Operator: BP AMERICA PRODUCTION COMPANY

4. COGCC Operator Number: 10000

5. Address: 501 WESTLAKE PARK BLVD

City: HOUSTON State: TX Zip: 77079

6. Contact Name: Patti Campbell Phone: (970)335-3828 Fax: (970)335-3837

Email: patricia.campbell@bp.com

7. Well Name: PHILLIPS GU A Well Number: 3R

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

9. Proposed Total Measured Depth: 3605

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 33 Twp: 34N Rng: 9W Meridian: M

Latitude: 37.145550 Longitude: -107.826590

Footage at Surface: 1921 feet FNL/FSL 1398 feet FEL/FWL
FSL FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6697 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 07/21/2009 PDOP Reading: 1.8 Instrument Operator's Name: Bill Mitchell

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
2957 FSL 1492 FEL 2015 FNL 1521 FEL
Sec: 33 Twp: 34N Rng: 9W Sec: 33 Twp: 34N Rng: 9W

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: 2269 ft

18. Distance to nearest property line: 647 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1213 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	FRLCD	112-190	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 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):

NE/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4 SEC 33, T34N, R9W NMPM; Lots 2 & 3 SW/4 NE/4, SE/4 NW/4 SEC 4, T33N, R9W NMPM

25. Distance to Nearest Mineral Lease Line: 1121 ft

26. Total Acres in Lease: 480

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: Recycle/Reuse

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	20	0	467	261	467	0
1ST	7+7/8	5+1/2	15.5	0	3,605	463	3,605	0

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

33. Comments Nothing has changed from the permit approved 11/24/2009 (Document 1808445). Associated 2A (Document 2557019) is approved through 6/10/2013.

34. Location ID: 307028

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: Patricia Campbell

Title: Regulatory Analyst Date: 6/22/2012 Email: patricia.campbell@bp.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 9/6/2012

API NUMBER

05 067 09799 00

Permit Number: _____ Expiration Date: 9/5/2014

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 via COGCC form 42
- 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 1/4 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 112-190

Attachment Check List

Att Doc Num	Name
1857284	SELECTED ITEMS REPORT
400298789	FORM 2 SUBMITTED

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	9/6/2012 10:46:34 AM
Permit	The closest cultural feature to the Phillips GU A #3R is an occupied building at 2269' to the NW. per operator 9/5/12	9/5/2012 9:34:42 AM
Permit	This re-file changes the distance to cultural features from the previous Form 2.	9/5/2012 9:17:12 AM
Permit	Per opr: mud disposal changed to onsite. The cuttings are buried on site unless there are restrictions which don't allow for that. The mud is separated from the cuttings and is re-used on the location for the well drilled. Nearest cultural feature is above ground utility at 2285.	7/30/2012 4:51:00 PM
Permit	Email to opr to verify distance to cultural features and mud disposal. 7/26/2012 NKP	7/26/2012 2:48:22 PM
Permit	2009 aerial indicates Location built, No Refile 2A required unless significant modifications are planned.	7/26/2012 2:12:11 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)