

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:

2238004

Date Received:

11/15/2012

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

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: ROBIN WOJCIK Phone: (970)563-5173 Fax: (970)563-5161

Email: RWOJCIK@RWPC.US

7. Well Name: SOUTE FC 32-8 Well Number: 9-10

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

9. Proposed Total Measured Depth: 4503

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 9 Twp: 32N Rng: 8W Meridian: N

Latitude: 37.027390 Longitude: -107.718080

Footage at Surface: 970 feet FNL/FSL FSL 1275 feet FEL/FWL FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 7091 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 07/18/2006 PDOP Reading: 3.0 Instrument Operator's Name: SCOTT WIEBE

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
2337 FSL 351 FEL 2560 FSL 200 FEL
Sec: 9 Twp: 32N Rng: 8W Sec: 9 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: 4675 ft

18. Distance to nearest property line: 2 mi 19. Distance to nearest well permitted/completed in the same formation(BHL): 1855 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	112-190	320	E/2

21. Mineral Ownership: Fee State Federal Indian Lease #: 14-20-151-26

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):

SEC. 3, 4, 9 & 10 T32N R8W

25. Distance to Nearest Mineral Lease Line: 2337 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	0	500	350	500	0
1ST	7+7/8	5+1/2	17	0	4,503	835	4,503	0

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

33. Comments NO CONDUCTOR CASING WILL BE USED – NO CHANGES HAVE BEEN MADE TO THE APD FOR REFILEING.

34. Location ID: 333880

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: DENNIS CORKRAN

Title: DRILLING & PRODUCTION MGR Date: 11/9/2012 Email: DCORKRAN@RWPC.US

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: 12/23/2012

API NUMBER: 05 067 09398 00 Permit Number: _____ Expiration Date: 12/22/2014

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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2238004	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed distance to public road.	12/19/2012 2:18:39 PM
Permit	Final review completed; no LGD or public comment received.	12/19/2012 12:10:31 PM
Permit	Well is 200 feet from unit boundary. This well permit has been granted an exception to Cause 112-190 regarding setbacks to unit boundaries.	12/19/2012 12:09:50 PM
Engineer	Ute minerals and surface	11/29/2012 4:37:15 PM
Permit	Refile bottom hole target remains the same.	11/29/2012 5:54:50 AM
Permit	This form passed completeness/LC ok'ed to pass.	11/28/2012 1:14:39 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)