

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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| DE | ET | OE | ES |
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Document Number:

400055436

Plugging Bond Surety

20040060

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER PILOT HOLE

SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☒

Sidetrack ☐

3. Name of Operator: BARRETT CORPORATION* BILL

4. COGCC Operator Number: 10071

5. Address: 1099 18TH ST STE 2300

City: DENVER State: CO Zip: 80202

6. Contact Name: Tracey Fallang Phone: (303)312-8134 Fax: (303)291-0420

Email: tfallang@billbarrettcorp.com

7. Well Name: Knuckles Well Number: 2N-11-39-18

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

9. Proposed Total Measured Depth: 5900

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 11 Twp: 39N Rng: 18W Meridian: N

Latitude: 37.660110 Longitude: -108.798910

Footage at Surface: 251 FNL/FSL 1988 FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 6723 13. County: DOLORES

14. GPS Data:

Date of Measurement: 02/05/2009 PDOP Reading: 1.9 Instrument Operator's Name: T. Barbee

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: 221 ft

18. Distance to nearest property line: 251 ft 19. Distance to nearest well permitted/completed in the same formation: 476 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Gothic | GOSH | 389-5 | 1418 | Sec. 2 & Sec. 11 |

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):
 Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, S2, Section 2, T38N-R18W; All, Section 11, T38N-R18W. Total acres in lease below and distance to lease line are based on the spacing order boundary.

25. Distance to Nearest Mineral Lease Line: 251 ft 26. Total Acres in Lease: 1418

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: Evaporation and backfilling

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 | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 26 | 16 | 65 | 80 | | 80 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 2,000 | 760 | 2,000 | 0 |
| 1ST | 8+3/4 | | | | | | |

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

33. Comments Two permits are associated with this well, one pilot, one lateral. The pilot hole would not be completed but would rather act as subsurface control. The top of the producing interval in the lateral will meet the 460' setback requirements. The KOP for the pilot is 5383'. Rule 305/306 consultations were waived. An approved sundry for the confidential status is also attached. This is a refile for an APD that expires 5/20/2010.

34. Location ID: 413956

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: Tracey Fallang

Title: Regulatory Analyst Date: 4/15/2010 Email: tfallang@billbarrettcorp.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: 5/12/2010

| | |
|--------------------------------------|--------------------------------------------------------|
| API NUMBER 05 033 06157 00 | Permit Number: _____ Expiration Date: <u>5/11/2012</u> |
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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 spud notice to COGCC field inspector Leslie Melton (970) 375-6419 or les.melton@state.co.us
- 2)If cement top drops out of eyesight following circulation on the 9 5/8" surface casing, conduct temperature survey; do so prior to re-cementing with one inch pipe; submit survey w/ completion report

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|-----------------------|----------------------|
| 1857127 | SELECTED ITEMS REPORT | LF@2455020 1857127 |
| 400055436 | FORM 2 SUBMITTED | LF@2454253 400055436 |
| 400055464 | WELL LOCATION PLAT | LF@2454254 400055464 |
| 400055465 | SURFACE AGRMT/SURETY | LF@2454255 400055465 |
| 400055471 | TOPO MAP | LF@2454256 400055471 |
| 400055473 | OTHER | LF@2454257 400055473 |

Total Attach: 6 Files