

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:
03/01/2019

TYPE OF WELL OIL GAS COALBED OTHER Lateral 2 Refiling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: North Carracas 32-5 Well Number: 7F-2

Name of Operator: RED WILLOW PRODUCTION COMPANY COGCC Operator Number: 81295

Address: P O BOX 369

City: IGNACIO State: CO Zip: 81137

Contact Name: Shelly Cowden Phone: (970)563-5194 Fax: ()

Email: scowden@rwpc.us

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 20090057

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 7 Twp: 32N Rng: 4W Meridian: N

Latitude: 37.025635 Longitude: -107.333493

Footage at Surface: 144 Feet FNL/FSL 333 Feet FEL/FWL

Field Name: IGNACIO BLANCO Field Number: 38300

Ground Elevation: 6159 County: ARCHULETA

GPS Data:
Date of Measurement: 11/01/2017 PDOP Reading: 1.8 Instrument Operator's Name: Kenneth E. Rea

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

144 FSL 333 FWL 1899 FSL 768 FEL

 Sec: 14 Twp: 32N Rng: 5W Sec: 14 Twp: 32N Rng: 5W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: Fee State Federal Indian

The Surface Owner is: is the mineral owner beneath the location.
(check all that apply) is committed to an Oil and Gas Lease.
 has signed the Oil and Gas Lease.
 is the applicant.

The Mineral Owner beneath this Oil and Gas Location is: Fee State Federal Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: Surface Surety ID: _____

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

T32N-R5W, N.M.P.M., Sec 7: SWSW, Sec 12: SESE, Sec. 13: NENE, Sec. 14: SENE, NENE

Total Acres in Described Lease: 12327 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 5280 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 696 Feet
Building Unit: 696 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 732 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 150 Feet
School Facility: 5280 Feet
School Property Line: 5280 Feet
Child Care Center: 5280 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, Designated Outside Activity Area, School Facility, and Child Care Center – as defined in 100 Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 660 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
FRUITLAND COAL	FRLDC			

DRILLING PROGRAM

Proposed Total Measured Depth: 2973 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: _____ Feet No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? Yes

Will oil based drilling fluids be used? No

BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 608

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	17+1/2	13+3/8	54.5	0	140	200	140	0
SURF	12+1/4	9+5/8	36	0	860	430	860	0
1ST	8+3/4	7+0/0	36	0	3525	365	3525	0
1ST LINER	6+1/8	4+1/2	11.6	3115	9547	0		

Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

Rule 318.c. Exception Location from Rule or Spacing Order Number _____

Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments Insofar as this application for Permit to Drill concerns lands within the jurisdiction of the Southern Ute Indian Tribe, it is submitted to the Colorado Oil and Gas Conservation Commission ("COGCC") in accordance with the terms of the Memorandum of Understanding dated Aug. 22, 1991 between the Bureau of Land Management ("BLM") and the Commission and the separate Memorandum of Understanding dated Aug. 22, 1991 between the Bureau of Indian Affairs ("BIA"), the BLM and the Southern Ute Indian Tribe.

The trajectory of the wellbore will be as follows:
This Form 2 is for the Lateral #2.
The Completed interval will be within the authorized setbacks.

This application is in a Comprehensive Drilling Plan No CDP #: _____

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Shelly Cowden

Title: Sen. Env.Compliance Spec. Date: 3/1/2019 Email: scowden@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: _____ Director of COGCC Date: _____
Expiration Date: _____

API NUMBER

05

Conditions Of Approval

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.

COA Type	Description

Best Management Practices

No BMP/COA Type

Description

Attachment Check List

Att Doc Num

Name

401956848	DRILLING PLAN
401975277	DIRECTIONAL DATA

Total Attach: 2 Files

General Comments

User Group

Comment

Comment Date

Permit	Returned to draft - Missing Directional Data.	03/12/2019
Permit	Corrected Surety Id#.	03/08/2019

Total: 2 comment(s)

Public Comments

No public comments were received on this application during the comment period.