

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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APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

Document Number:
400008990
Plugging Bond Surety
20010124

3. Name of Operator: KERR-MCGEE OIL & GAS ONSHORE LP 4. COGCC Operator Number: 47120

5. Address: P O BOX 173779
City: DENVER State: CO Zip: 80217-3779

6. Contact Name: Cheryl Light Phone: (720)929-6461 Fax: (720)929-7461
Email: cheryl.light@anadarko.com

7. Well Name: HOUSTON STATE Well Number: 31-16

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

9. Proposed Total Measured Depth: 7334

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 16 Twp: 3N Rng: 67W Meridian: 6
Latitude: 40.228240 Longitude: -104.902880

Footage at Surface: 1756 FNL/FSL FNL 499 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4773 13. County: WELD

14. GPS Data:

Date of Measurement: 08/13/2009 PDOP Reading: 6.0 Instrument Operator's Name: Travis Kraich

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 _____
1240 FNL 50 FWL 1240 FNL 50 FWL
Sec: 16 Twp: 3N Rng: 67W Sec: 16 Twp: 3N Rng: 67W

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: 243 ft

18. Distance to nearest property line: 499 ft 19. Distance to nearest well permitted/completed in the same formation: 677 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.)
Niobrara/Codell	NB-CD	407	160	16: W2NW; 17: E2NE

21. Mineral Ownership: Fee State Federal Indian Lease #: 72/2162-S

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):
See attached Oil & Gas lease

25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 640

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: _____

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
SURF	12+1/4	8+5/8	24	650	455	650	
1ST	7+7/8	4+1/2	11.6	7,334	200	7,334	

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

33. Comments No conductor casing will be used. Location is outside the drilling window; exception granted

34. Location ID: 330428

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: Cheryl Light

Title: Senior Regulatory Analyst Date: 2/12/2010 Email: cheryl.light@anadarko.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. Nashin Director of COGCC Date: 4/12/2010

API NUMBER
05 123 31427 00

Permit Number: _____ Expiration Date: 4/11/2012

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.

Location is outside the drilling window; exception granted

Location is outside the drilling window; exception granted

1) Provide 24 hour notice of MIRU to Bo Brown at 970-330-6085 or e-mail at bo.brown@state.co.us. 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
400008991	30 DAY NOTICE LETTER	LF@2424024 400008991
400008992	MULTI-WELL PLAN	LF@2424025 400008992
400008993	DRILLING PLAN	LF@2424026 400008993
400008994	PLAT	LF@2424027 400008994
400008995	PROPOSED SPACING UNIT	LF@2424028 400008995
400008996	TOPO MAP	LF@2424029 400008996
400008997	OIL & GAS LEASE	LF@2424030 400008997
400011149	SURFACE AGRMT/SURETY	LF@2424031 400011149
400037873	WAIVERS	LF@2424032 400037873
400039861	FORM 2 SUBMITTED	LF@2424033 400039861

Total Attach: 10 Files