

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 |
|----|----|----|----|

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:

400054757

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: SPAUR Well Number: 21-7

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

9. Proposed Total Measured Depth: 7984

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 7 Twp: 4N Rng: 67W Meridian: 6

Latitude: 40.329425 Longitude: -104.926037

 Footage at Surface: 2001 FNL/FSL 635 FEL/FWL
 FNL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4837 13. County: WELD

14. GPS Data:

Date of Measurement: 03/12/2010 PDOP Reading: 1.6 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
 1300 FNL 2490 FEL 1300 FNL 2490 FEL
 Sec: 7 Twp: 4N Rng: 67W Sec: 7 Twp: 4N 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: 175 ft

18. Distance to nearest property line: 635 ft 19. Distance to nearest well permitted/completed in the same formation: 714 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| J-SAND | JSND | | 160 | W/2NE/4, E/2NW/4 |
| NIOBRARA-CODELL | NB-CD | 407 | 160 | W/2NE/4, E/2NW/4 |

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: P 03-040-00

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: 144 ft 26. Total Acres in Lease: 146

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 | 750 | 525 | 750 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,984 | 200 | 7,984 | |

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 329435

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: SR. REGULAOTRY ANALYST Date: 4/23/2010 Email: DJREGULATORY@ANADARK

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: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|---------------------------------|
| 400054757 | FORM 2 SUBMITTED | 400054757.pdf |
| 400054772 | WELL LOCATION PLAT | SPAUR 21-7 PLAT.pdf |
| 400054773 | TOPO MAP | SPAUR 21-7 4N67W7 Topo.pdf |
| 400054775 | OIL & GAS LEASE | SPAUR21-7LEASE.pdf |
| 400054777 | SURFACE AGRMT/SURETY | SPAUR SUA.pdf |
| 400054779 | 30 DAY NOTICE LETTER | SPAUR NOTICE LETTER.pdf |
| 400054780 | PROPOSED SPACING UNIT | SPAUR 21-7 SPACING UNIT MAP.pdf |
| 400054781 | DEVIATED DRILLING PLAN | SPAUR 21-7 DIRECTIONAL.pdf |
| 400054782 | MULTI-WELL PLAN | SPAUR 4 PAD 4N67W7.pdf |

Total Attach: 9 Files