

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:

400035422

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: KERR-MCGEE Well Number: 12-3

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

9. Proposed Total Measured Depth: 8378

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 3 Twp: 1N Rng: 68W Meridian: 6

Latitude: 40.077795 Longitude: -104.995037

Footage at Surface: 1737 FNL/FSL FSL 1092 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5042 13. County: WELD

14. GPS Data:

Date of Measurement: 12/10/2009 PDOP Reading: 1.8 Instrument Operator's Name: Jerry Harcek

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1980 FSL 660 FWL FWL Bottom Hole: FNL/FSL 1980 FSL 660 FWL FWL
Sec: 3 Twp: 1N Rng: 68W Sec: 3 Twp: 1N Rng: 68W

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: 1085 ft

18. Distance to nearest property line: 173 ft 19. Distance to nearest well permitted/completed in the same formation: 1683 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	232	320	S/2
NIOBRARA-CODELL	NB-CD	407	80	N/2SW/4

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):
See attached lease

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 5752

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	950	665	950	0
1ST	7+7/8	4+1/2	11.6	8,378	200	8,378	

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

33. Comments No conductor casing will be used

34. Location ID: 302913

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: 2/11/2010 Email: DJRegulatory@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: 3/26/2010

API NUMBER

05 123 31365 00

Permit Number: _____ Expiration Date: 3/24/2012

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.

1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. 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.

LOCATION IS OUTSIDE DRILLING WINDOW AND IS MORE THAN 50' FROM AN EXISTING WELL LOCATION:
EXCEPTION GRANTED.

Attachment Check List

Att Doc Num	Name	Doc Description
1770065	SURFACE CASING CHECK	LF@2437851 1770065
400035436	30 DAY NOTICE LETTER	LF@2425726 400035436
400035437	MULTI-WELL PLAN	LF@2425727 400035437
400035438	DEVIATED DRILLING PLAN	LF@2425728 400035438
400035439	TOPO MAP	LF@2425729 400035439
400035444	EXCEPTION LOC WAIVERS	LF@2425730 400035444
400035445	OIL & GAS LEASE	LF@2425731 400035445
400035446	SURFACE AGRMT/SURETY	LF@2425732 400035446
400036701	PLAT	LF@2425733 400036701
400039411	FORM 2 SUBMITTED	LF@2425734 400039411

Total Attach: 10 Files