

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:

400054320

Plugging Bond Surety

20010124

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 ☐

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: HIGHWAY 160 Well Number: 1-2

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

9. Proposed Total Measured Depth: 8555

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 2 Twp: 1N Rng: 66W Meridian: 6

Latitude: 40.083254 Longitude: -104.740482

Footage at Surface: 1496 FNL/FSL FNL 1579 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5104 13. County: WELD

14. GPS Data:

Date of Measurement: 02/23/2010 PDOP Reading: 2.1 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 810 FNL 510 FEL 510 FEL 810 FNL 510 FEL 510
Sec: 2 Twp: 1N Rng: 66W Sec: 2 Twp: 1N Rng: 66W

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: 1076 ft

18. Distance to nearest property line: 1064 ft 19. Distance to nearest well permitted/completed in the same formation: 961 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| DAKOTA | DKTA | 499 | 320 | N/2 |
| J-SAND | JSND | 232 | 320 | N/2 |
| NIOBRARA-CODELL | NB-CD | 407 | 80 | N/2NE/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 Bond ☐ \$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: 510 ft 26. Total Acres in Lease: 320

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 | 1,130 | 770 | 1,130 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 8,555 | 200 | 8,555 | |
| 1ST LINER | | | | | | | |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. Changed Surface Casing from 1100' to 1130'.

34. Location ID: 317936

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. REGULATORY ANALYST Date: 4/29/2010 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: David S. Neslin Director of COGCC Date: 5/27/2010

API NUMBER

05 123 31684 00

Permit Number: _____ Expiration Date: 5/26/2012

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) Note surface casing setting depth change from 1100' to 1130'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 4) 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 |
|-------------|------------------------|----------------------|
| 2621402 | SURFACE CASING CHECK | LF@2465707 2621402 |
| 400054320 | FORM 2 SUBMITTED | LF@2460219 400054320 |
| 400054339 | WELL LOCATION PLAT | LF@2460220 400054339 |
| 400054340 | TOPO MAP | LF@2460221 400054340 |
| 400054341 | OIL & GAS LEASE | LF@2460222 400054341 |
| 400054343 | SURFACE AGRMT/SURETY | LF@2460223 400054343 |
| 400054346 | 30 DAY NOTICE LETTER | LF@2460224 400054346 |
| 400054347 | DEVIATED DRILLING PLAN | LF@2460225 400054347 |
| 400054348 | MULTI-WELL PLAN | LF@2460226 400054348 |

Total Attach: 9 Files