

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

Refilling
Sidetrack

Document Number:
400054320
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: 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
Bottom Hole: FNL/FSL _____ FEL/FWL _____
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 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: 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