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Tel: 303.228.4000
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June 17, 2010

Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

Attn: Mr. David Neslin, Director

RE: **Cannon H35-20**
Codell/Niobrara/J Sand New Drill
Township 3 North, Range 65 West, 6th P.M.
Section 35: NW/4SW/4: 2491' FSL & 1254' FWL (Surface Location)
Section 35: NW/4SW/4: 2491' FNL & 1254' FWL (Bottom Hole Location)
Weld County, Colorado

Mr. Neslin:

Noble Energy, Inc. ("NEI") is planning to drill the captioned boundary well in accordance with the provisions of COGCC Rule 318A.e.

NEI's proposed wellbore spacing unit consists of the S/2NW/4, N/2SW/4 of Section 35, T3N, R65W, creating a 160-acre wellbore spacing unit. NEI is not the only owner within the proposed wellbore spacing unit and as such provided notice to the remaining owner(s) within said proposed spacing unit as required under COGCC Rule 318A.e(6). Copies of the required notice letter(s) is/are attached. The required twenty (20) day notice period has elapsed absent the receipt by NEI of an objection to said proposal by the owner(s) within the proposed spacing unit for this well.

Also, enclosed are copies of the following documents to assist you in your review and approval of NEI's proposed APD for the captioned well:

- Plat illustrating the proposed wellbore spacing unit and number of Codell/Niobrara/J Sand wells located within the existing 160-acre governmental quarter section (NW/4) to be less than eight (8) in accordance with COGCC Rule 318A.f.
- Plat illustrating proposed wellbore spacing unit on existing location plat.

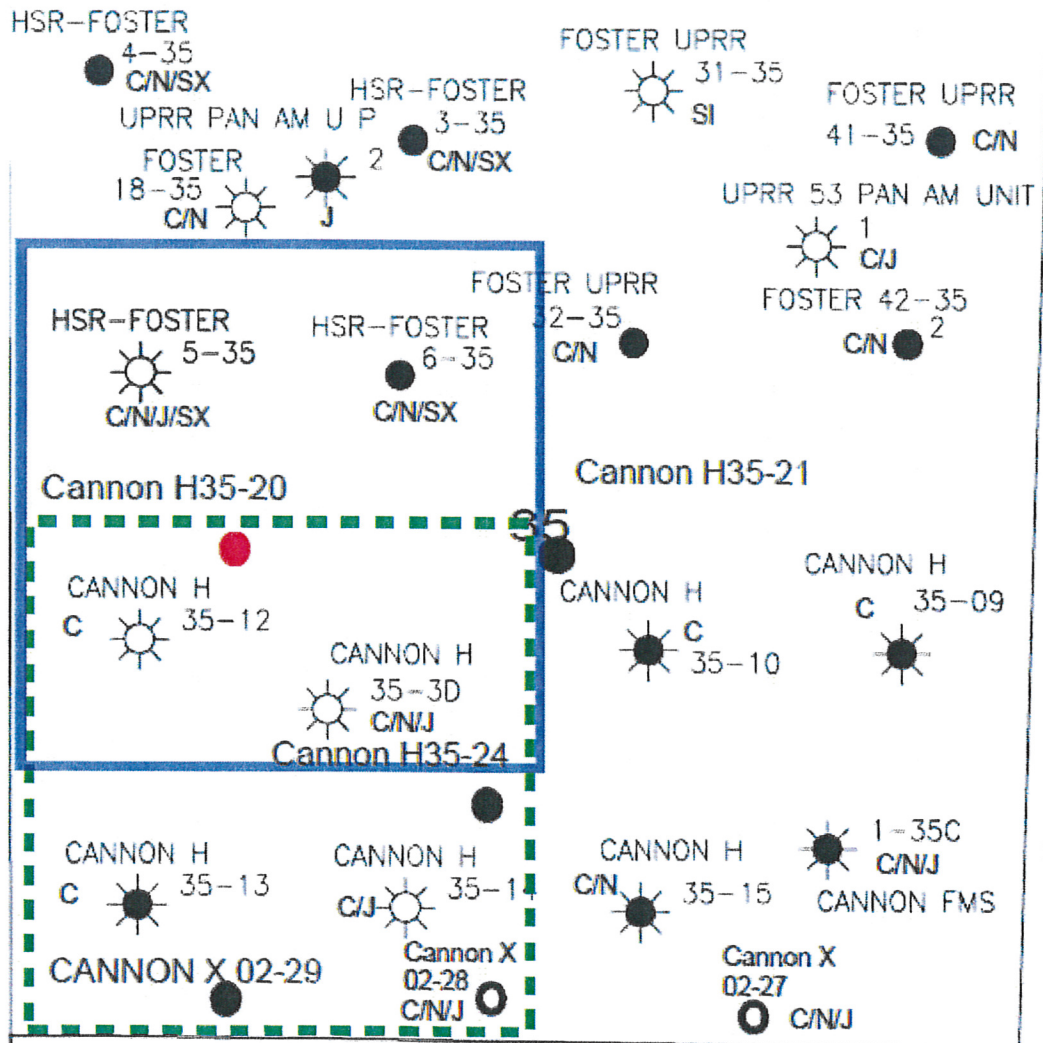
Thank you for your attention to the enclosed. NEI respectfully requests that the COGCC review the enclosed information and approve the Application for Permit to Drill the captioned well.

Sincerely,

A handwritten signature in blue ink that reads 'Cheryl Johnson'.

Cheryl Johnson
Regulatory Analyst II
Noble Energy Inc.

Cannon H35-20
NWSW, Section 35, T3N, R65W



LEGEND



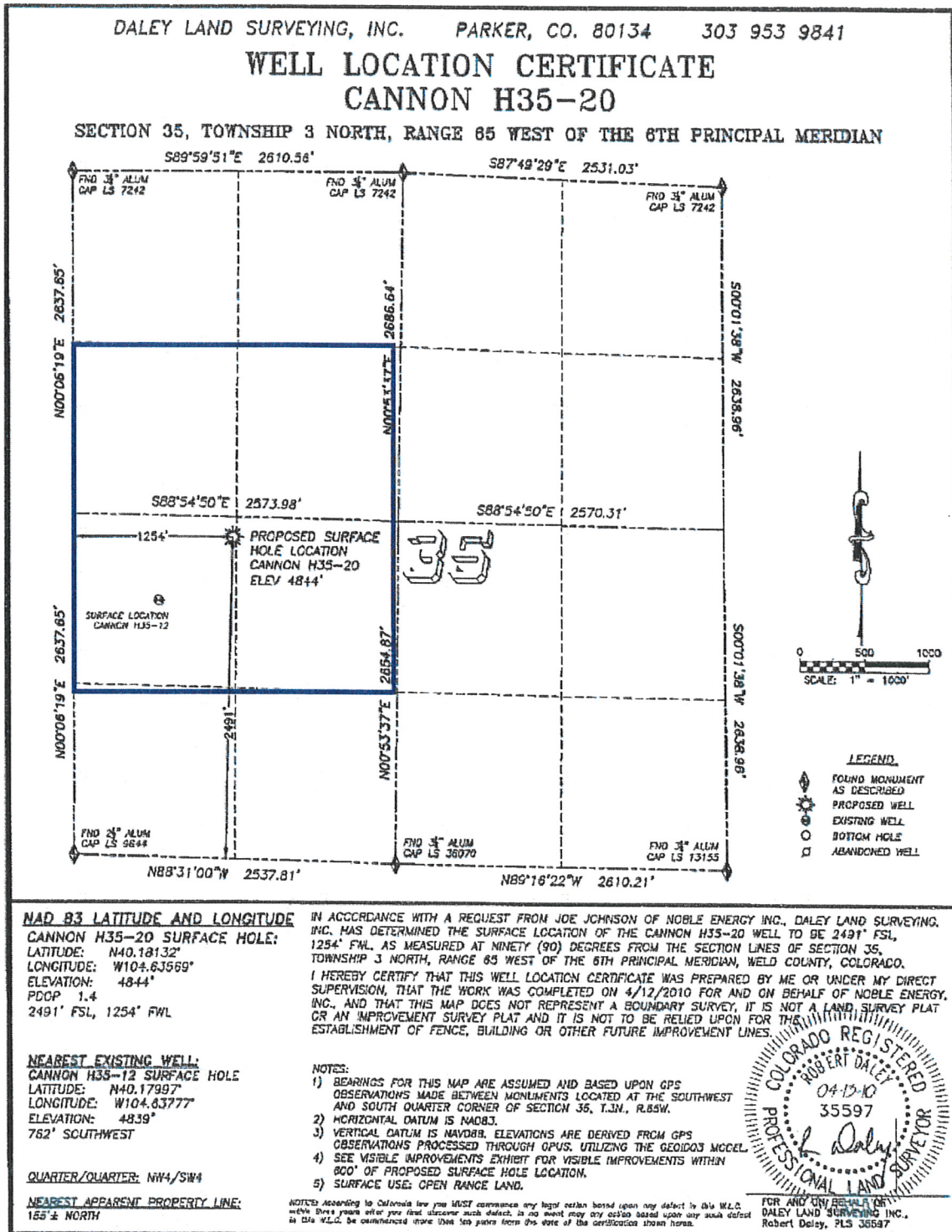
Proposed 160 acre Spacing Unit



Bottom Hole Located NWSW, Section 35, T3N, R65W

The governmental $\frac{1}{4}$ Section has less than 8 bottom hole wells producing from the Codell, Niobrara, & J-Sand Formations.

PROPOSED 318Ae SPACING UNIT

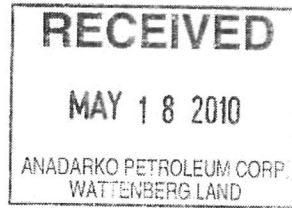


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May 17, 2010



**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

ARTICLE # 7010 0290 0003 0933 5626

Kerr-McGee Oil & Gas Onshore LP
Attn: Vince Bernal
1099 18th Street, Suite 1800
Denver, CO 80202

RE: Notice of 318A.e. Well Proposal
Codell/Niobrara/J-Sand: New Well
WELL NAME: **CANNON H35-20**
Township 3 North, Range 65 West
Section 35: NW/4SW/4 (BHL)
Weld County, Colorado

Dear Mr. Bernal:

Noble Energy, Inc. ("Noble") intends to propose, drill and operate the referenced well pursuant to paragraph 6 of Rule 318A.e., Order 1R-100 of the Colorado Oil and Gas Conservation Commission ("COGCC"). Attached for your information is a plat representing this proposal.

Additional information for this well:

(1) **Wellbore Spacing Unit**

The wellbore spacing unit will be comprised of the S/2NW/4 and the N/2SW/4 of Section 35, in T3N, R65W, 6th P.M., as depicted on the enclosed plat. The working interests attributable to the Codell/Niobrara/J-Sand formation(s) in the contributing 40 acre quarter-quarter sections will be utilized to determine the interests of the parties in the proposed 160 acre spacing unit for this well. It appears that you own a working interest in the proposed wellbore spacing unit for this well.

(2) **Target Formations**

This well will be drilled to a total depth to sufficiently test the Codell/Niobrara/J-Sand formations.

(3) **Surface and Bottomhole Locations**

SHL: 2491' FSL, 1254' FWL, Section 35, T3N, R65W, 6th P.M.
BHL: 2491' FSL, 1254' FWL, Section 35, T3N, R65W, 6th P.M.

(4) **Anticipated Spud Date**

3rd Quarter, 2010

(5) **Request for Title Information**

In order to facilitate the rendering of a full title opinion, please provide copies of any title opinions, updates and JIB/Rev deck materials for the referenced spacing unit in your possession to Noble.

Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160 acre spacing unit set forth herein shall be established.

However, should you have no objection to this proposal, please so indicate by signing in the space provided below and return to Noble as soon as possible. A duplicate letter for your records is also enclosed. Your cooperation in this matter is greatly appreciated so that Noble may timely continue the permitting process for this well.

Thank you for your timely consideration and response to this proposal. Please do not hesitate to contact me at 303-228-4367 should you have any questions.

Very truly yours,

NOBLE ENERGY, INC.



Robert J. Bram
Senior Land Negotiator

RJB:jkb

Enclosures

Pursuant to paragraph 6 of Rule 318A.e., Order 1R-100 of the Colorado Oil and Gas Conservation Commission, the undersigned has received notice from Noble Energy, Inc. ("Noble") of its intention to drill and operate the CANNON H35-20 well in Section 35, T3N, R65W, Weld County, Colorado and the undersigned hereby waives the twenty (20) day notice requirement as provided by said rule.

KERR-MCGEE OIL & GAS ONSHORE LP:

By: 

Printed Name: **Thomas J. Birmingham**
Subsurface Manager Delegate

Date: JUN 03 2010