

1625 Broadway  
Suite 2000  
Denver, CO 80202  
  
Tel: 303.228.4000  
Fax: 303.228.4280  
www.nobleenergyinc.com



June 18, 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 H35-21**  
Codell/Niobrara/J Sand New Drill  
Township 3 North, Range 65 West, 6th P.M.  
Section 35: NW/4SE/4: 2499' FSL & 2497' FEL (Surface Location)  
Section 35: NW/4SE/4: 2499' FSL & 2497' FEL (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 SW/NE, SE/NW, NE/SW, NW/SE 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 (SE/4) to be less than eight (8) in accordance with COGCC Rule 318A.f.
- Plat illustrating proposed wellbore spacing unit on existing location plat.

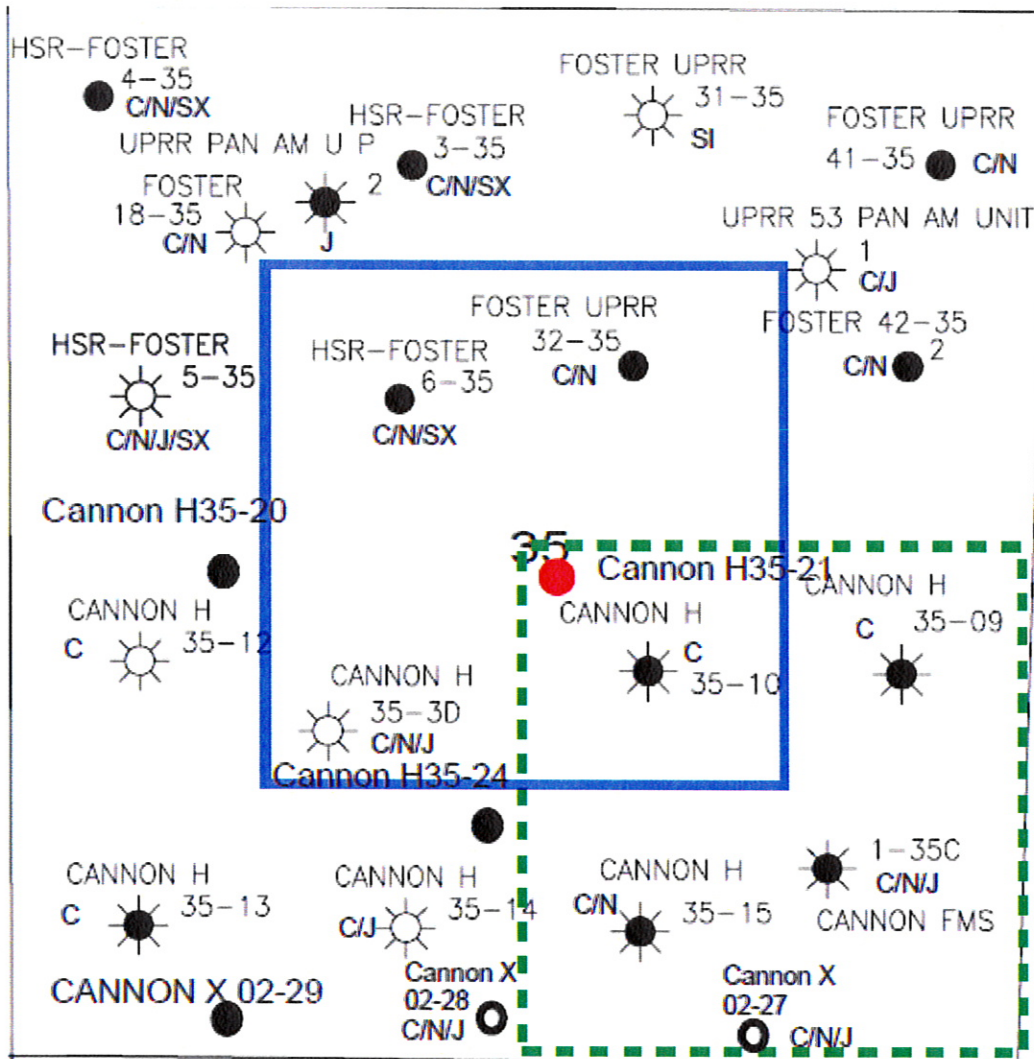
Thank you for your attention to the enclosed. NEI respectfully requests that the COGCC review the enclosed information and approve the Application for Permit to Drill the captioned well.

Sincerely,

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

Cheryl Johnson  
Regulatory Analyst II  
Noble Energy Inc.

**Cannon H35-21**  
**NWSE, Section 35, T3N, R65W**



**LEGEND**



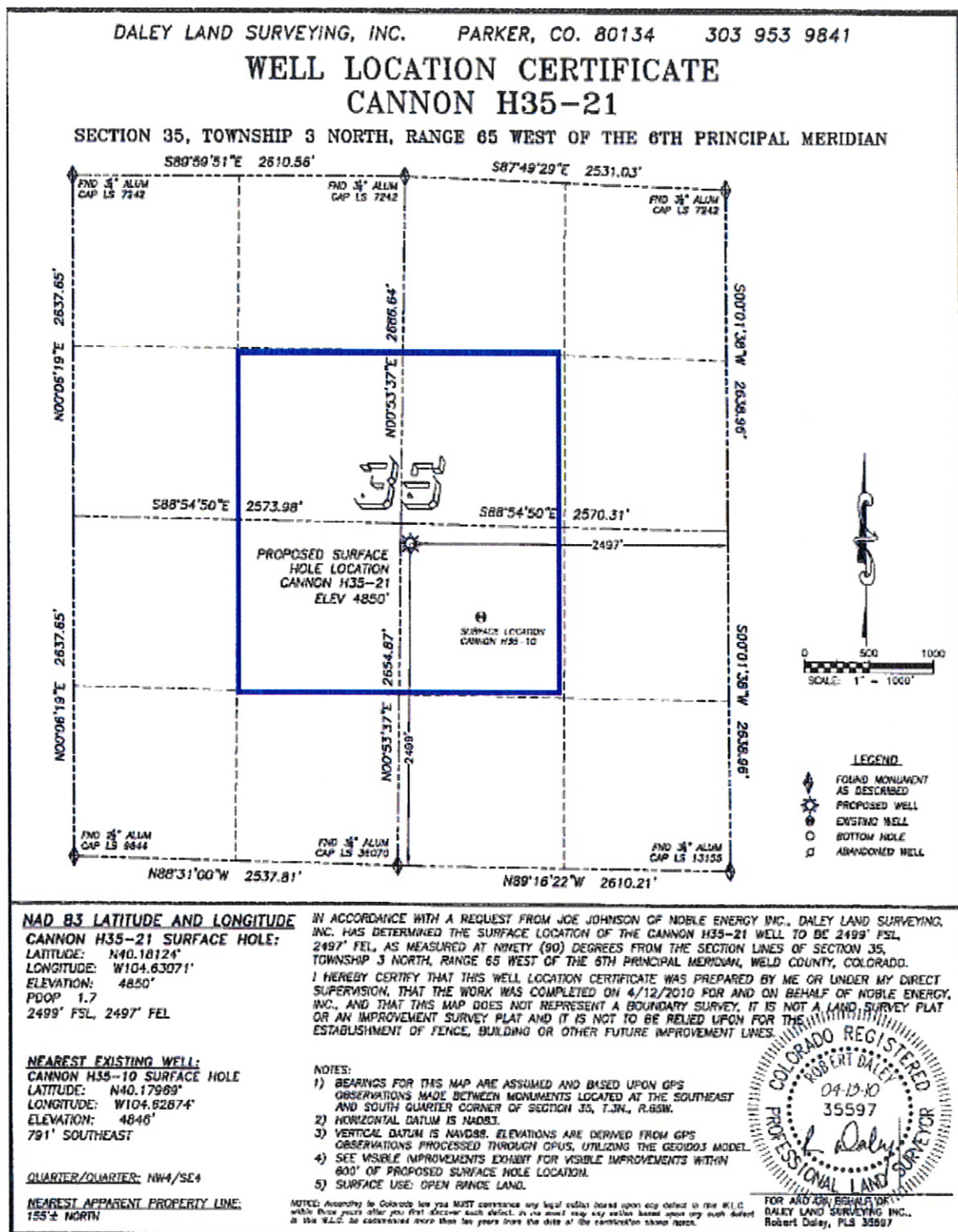
Proposed 160 acre Spacing Unit



Bottom Hole Located NWSE, Section 35, T3N, R65W

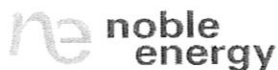
The governmental  $\frac{1}{4}$  Section has less than 8 bottom hole wells producing from the Codell, Niobrara, & J-Sand Formations.

# PROPOSED 318Ae SPACING UNIT

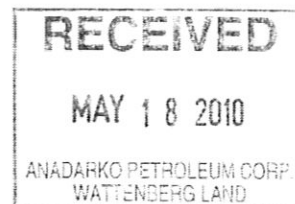


1625 Broadway  
Suite 2200  
Denver, Colorado 80202

Tel: 303.228.4000  
Fax: 303.228.4280



May 17, 2010



**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**ARTICLE # 7010 0290 0003 0933 5633**

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

RE: Notice of 318A.e. Well Proposal  
Codell/Niobrara/J-Sand: New Well  
WELL NAME: **CANNON H35-21**  
Township 3 North, Range 65 West  
Section 35: NW/4SE/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 SW/4NE/4, SE/4NW/4, NE/4SW/4 and the NW/4SE/4 of Section 35, in T3N, R65W, 6<sup>th</sup> 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: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> P.M.  
BHL: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> 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.



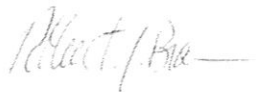
Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160 acre spacing unit set forth herein shall be established.

**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

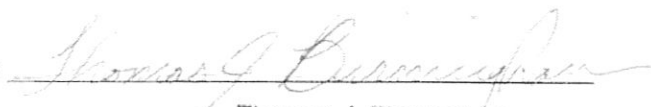
RJB:jjb

Enclosures

Pursuant to paragraph 6 of Rule 318A.c., 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 H35-21 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: \_\_\_\_\_



Thomas J. Birmingham  
Subsurface Manager Delegate

Printed Name: \_\_\_\_\_

Date: JUN 01 2010

1625 Broadway  
Suite 2200  
Denver, Colorado 80202

Tel: 303.228.4000  
Fax: 303.228.4280



May 18, 2010

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**ARTICLE # 7010 0290 0003 0933 5657**

Coda Energy, Inc.  
c/o Belco Energy Corp  
5735 Pineland Drive, Suite 300  
Dallas, TX 75231

RE: Notice of 318A.e. Well Proposal  
Codell/Niobrara/J-Sand: New Well  
WELL NAME: **CANNON H35-21**  
Township 3 North, Range 65 West  
Section 35: NW/4SE/4 (BHL)  
Weld County, Colorado

Dear Working Interest Owner:

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 SW/4NE/4, SE/4NW/4, NE/4SW/4 and the NW/4SE/4 of Section 35, in T3N, R65W, 6<sup>th</sup> 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: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> P.M.  
BHL: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> 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.

✓ DB

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 H35-21 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.**

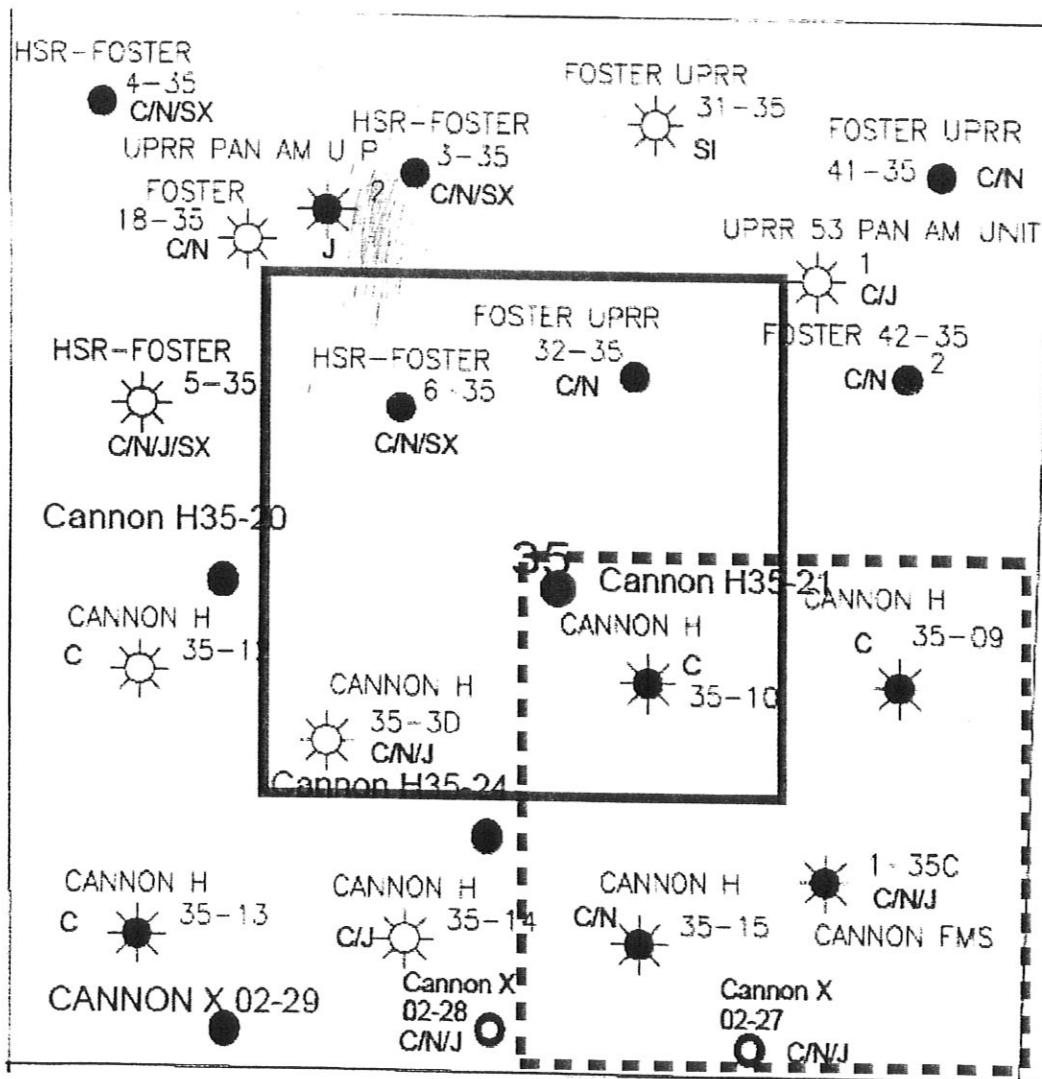
**CODA ENERGY, INC.:**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Cannon H35-21**  
NWSE, Section 35, T3N, R65W



**LEGEND**



Proposed 160 acre Spacing Unit



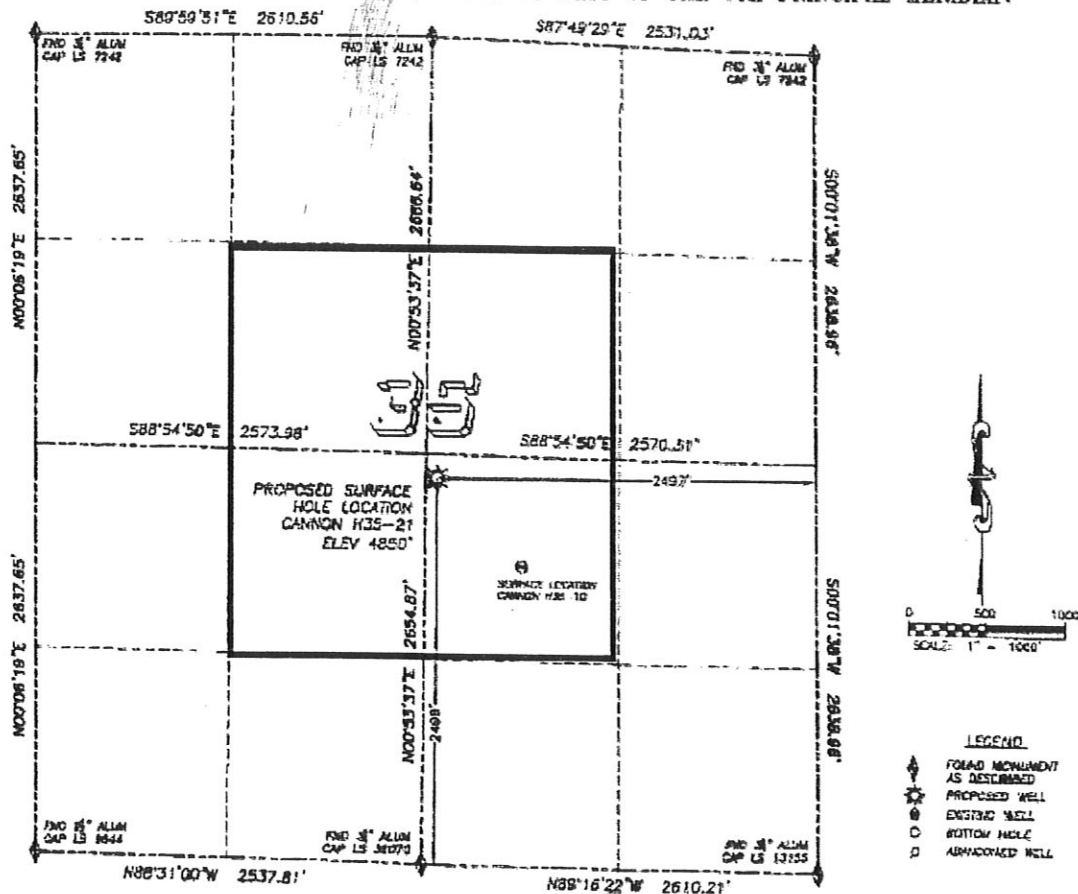
Bottom Hole Located NWSE, Section 35, T3N, R65W

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



## DALEY LAND SURVEYING, INC. PARKER, CO. 80134 303 953 9841

SECTION 35, TOWNSHIP 3 NORTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN



LATITUDE: N40.18124°  
LONGITUDE: W104.63071°  
ELEVATION: 4850'  
POOP 1.7  
2499' FSL 2497' FEL

CANNON H35-10 SURFACE HOLE  
LATITUDE: N40.17969°  
LONGITUDE: W104.82874°  
ELEVATION: 4840'  
791' SOUTHEAST

NEAREST APPARENT PROPERTY LINE:  
155'± NORTH

I HEREBY CERTIFY THAT THIS WELL LOCATION CERTIFICATE WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE WORK WAS COMPLETED ON 6/12/2010 FOR AND ON BEHALF OF MOBILE ENERGY, INC., AND THAT THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY. IT IS NOT A LAND SURVEY PLAT OR AN IMPROVEMENT SURVEY PLAT AND IT IS NOT TO BE RELIED UPON FOR ESTABLISHMENT OF FENCE, BUILDING OR OTHER FUTURE IMPROVEMENT LINES.

- 1) BEARINGS FOR THIS MAP ARE ASSUMED AND BASED UPON GPS OBSERVATIONS MADE BETWEEN MONUMENTS LOCATED AT THE SOUTHEAST AND SOUTH QUARTER CORNER OF SECTION 30, T.14N., R.68W.
- 2) HORIZONTAL DATUM IS NAD83
- 3) VERTICAL DATUM IS NAVD83. ELEVATIONS ARE DERIVED FROM GPS OBSERVATIONS PROCESSED THROUGH OPUS, UTILIZING THE GEOID93 MODEL
- 4) SEE USABLE CLOUDS REPORT FOR USABLE IMPROVEMENTS WITHIN 60% OF PROPOSED SURFACE WIDE LOCATION.
- 5) SURFACE USE: OPEN PRAIRIE LAND.

NOTED: According to Colorado law you MUST disclose any legal action against any defect in the M.I.C. within three years after you first discover such defect. It is recommended that you obtain legal advice from a local attorney to the M.I.C. to determine more than ten years from the date of the construction since notice.

A circular professional engineer seal for the State of Colorado. The outer ring contains the text "COLORADO REGISTERED PROFESSIONAL ENGINEER AND SURVEYOR". The inner circle contains the name "ROBERT DALEY", the expiration date "04-13-10", and the license number "35597". A signature is written across the bottom of the seal.

FOR ACTION BEHALF OF  
DALEY LAND SURVEYING INC.  
Robert Daley, PLS 35007

CERTIFIED MAIL™



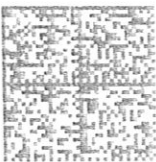
7010 0 03 0933 5657

1625 Broadway  
Suite 2200  
Denver, Colorado 80202

**ne** noble  
energy

*Shower*

MAY 28 2010



UNITED STATES POSTAGE  
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0004634683 MAY 19 2010  
MAILED FROM ZIP CODE 80202

Coda Energy, Inc.  
c/o Belco Energy Corp  
5735 Pinelar  
Dallas, TX 7

NIXIE 750 DE 1 00 05/25/10

NOT DELIVERABLE  
RETURN TO SENDER  
UNABLE TO AS ADDRESSED  
FORWARD

EC: 90202472550 \*0720-01526-19-41

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1625 Broadway  
Suite 2200  
Denver, Colorado 80202

Tel: 303.228.4000  
Fax: 303.228.4280



COPY

May 18, 2010

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**ARTICLE # 7010 0290 0003 0933 5640**

Aceite Energy Company  
11150 Huron Street, Suite 210  
Northglenn, CO 80234

RE: Notice of 318A.e. Well Proposal  
Codell/Niobrara/J-Sand: New Well  
WELL NAME: **CANNON H35-21**  
Township 3 North, Range 65 West  
Section 35: NW/4SE/4 (BHL)  
Weld County, Colorado

Dear Working Interest Owner:

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 SW/4NE/4, SE/4NW/4, NE/4SW/4 and the NW/4SE/4 of Section 35, in T3N, R65W, 6<sup>th</sup> 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: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> P.M.  
BHL: 2499' FSL, 2497' FEL, Section 35, T3N, R65W, 6<sup>th</sup> 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 H35-21 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.

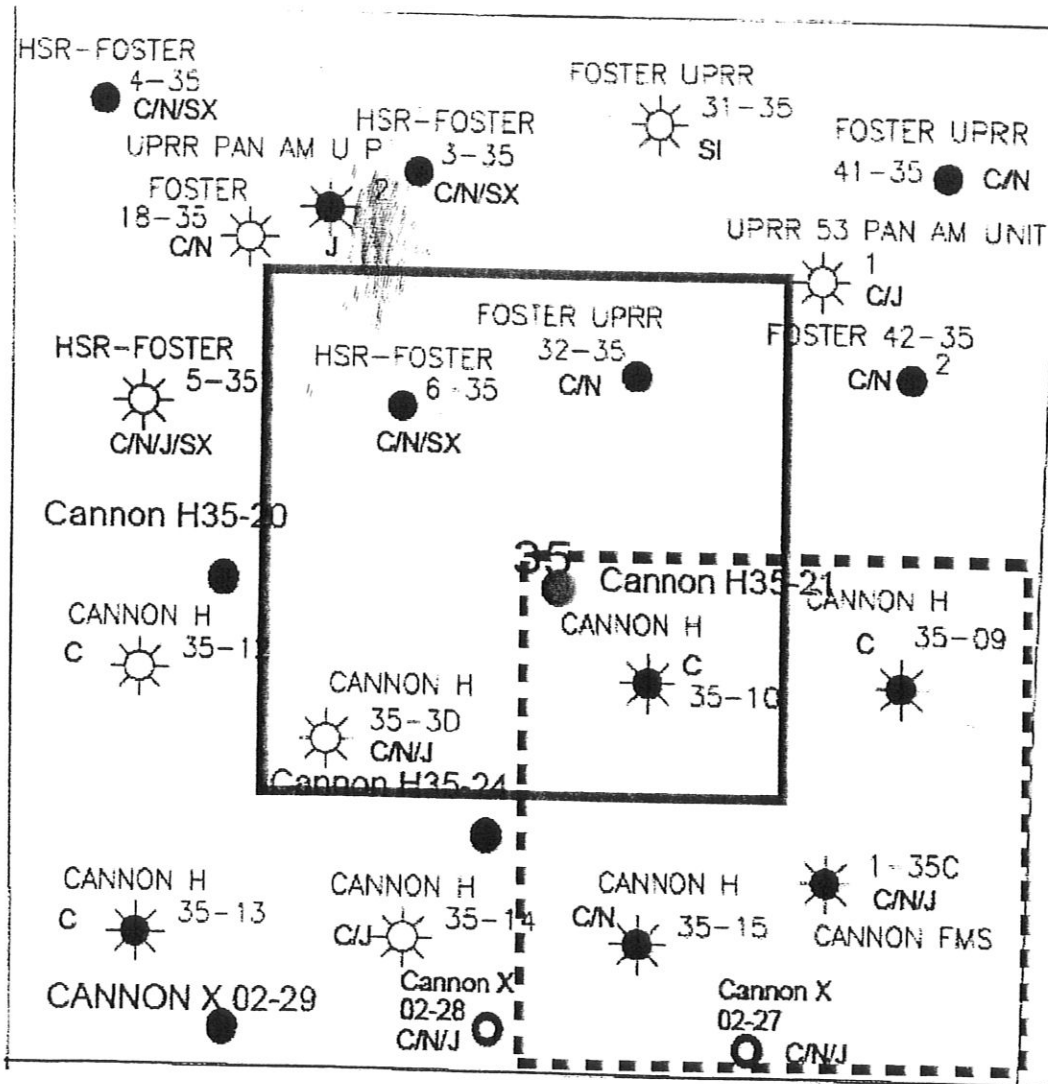
**ACEITE ENERGY COMPANY:**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Cannon H35-21**  
NWSE, Section 35, T3N, R65W



**LEGEND**



Proposed 160 acre Spacing Unit



Bottom Hole Located NWSE, Section 35, T3N, R65W

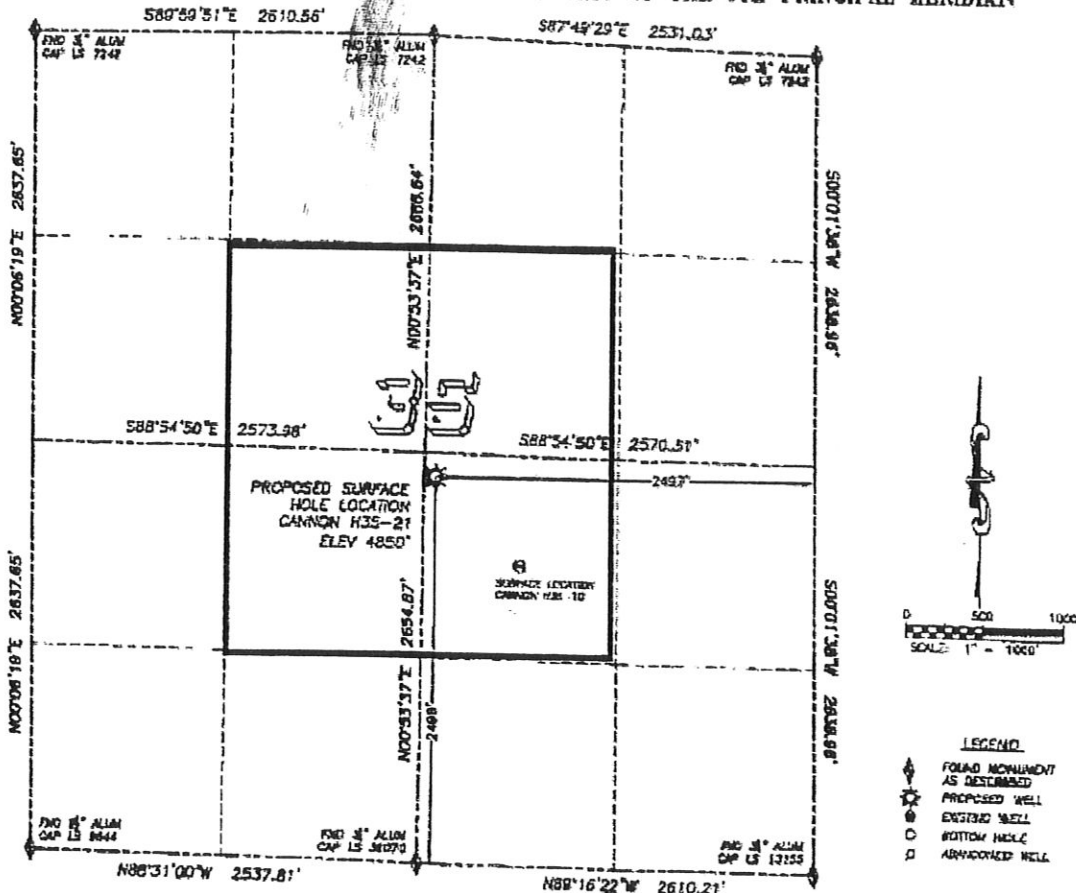
The governmental  $\frac{1}{4}$  Section has less than 8 bottom hole wells producing from the Codell, Niobrara, & J-Sand Formations.

# PROPOSED 318Ae SPACING UNIT

DALEY LAND SURVEYING, INC. PARKER, CO. 80134 303 953 9841

## WELL LOCATION CERTIFICATE CANNON H35-21

SECTION 35, TOWNSHIP 3 NORTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN



0 500 1000  
SCALE: 1" = 1000'

### LEGEND

- FOUND MONUMENT AS DESTROYED
- PROPOSED WELL
- EXISTING WELL
- BOTTOM HOLE
- ABANDONED WELL

### NAD 83 LATITUDE AND LONGITUDE

CANNON H35-21 SURFACE HOLE:

LATITUDE: N40.18124°  
LONGITUDE: W104.63071°  
ELEVATION: 4850'  
PDOP: 1.7  
2499' FSL 2497' FEL

### NEAREST EXISTING WELL:

CANNON H35-10 SURFACE HOLE  
LATITUDE: N40.17963°  
LONGITUDE: W104.62874°  
ELEVATION: 4846'  
791' SOUTHEAST

QUARTER/QUARTERS: NW4/SE4

NEAREST ADJACENT PROPERTY LINE:  
155'± NORTH

IN ACCORDANCE WITH A REQUEST FROM JOE JOHNSON OF NOBLE ENERGY INC., DALEY LAND SURVEYING, INC. HAS DETERMINED THE SURFACE LOCATION OF THE CANNON H35-21 WELL TO BE 2499' FSL, 2497' FEL AS MEASURED AT NINETY (90) DEGREES FROM THE SECTION LINES OF SECTION 35, TOWNSHIP 3 NORTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, WELD COUNTY, COLORADO. I HEREBY CERTIFY THAT THIS WELL LOCATION CERTIFICATE WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE WORK WAS COMPLETED ON 4/12/2010 FOR AND ON BEHALF OF NOBLE ENERGY, INC., AND THAT THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY, IT IS NOT A LAND SURVEY PLAT OR AN IMPROVEMENT SURVEY PLAT AND IT IS NOT TO BE RELIED UPON FOR THE ESTABLISHMENT OF FENCE, BUILDING OR OTHER FUTURE IMPROVEMENT LINES.

### NOTES:

- 1) BEARINGS FOR THIS MAP ARE ASSUMED AND BASED UPON GPS OBSERVATIONS MADE BETWEEN MONUMENTS LOCATED AT THE SOUTHWEST AND SOUTH QUARTER CORNER OF SECTION 35, T.3N., R.65W.
- 2) HORIZONTAL DATUM IS NAD83.
- 3) VERTICAL DATUM IS NAVD83. ELEVATIONS ARE DERIVED FROM GPS OBSERVATIONS PROCESSED THROUGH OPUS, UTILIZING THE GEODOS3 MODEL.
- 4) SEE VISIBLE IMPROVEMENTS EXHIBIT FOR VISIBLE IMPROVEMENTS WITHIN 800' OF PROPOSED SURFACE HOLE LOCATION.
- 5) SURFACE USE: OPEN RANGELAND.

NOTICE: Accuracy in Colorado has you MUST determine any legal rights based upon any defect in this plat. within three years after you first discover such defect. A fee must also be paid within three years after you first discover such defect. A fee must also be paid within three years after you first discover such defect.



FOR AND ON BEHALF OF:  
DALEY LAND SURVEYING, INC.  
Robert Daley, PLS 35597



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Aceite Energy Company  
11150 Huron Street, Suite 210  
Northglenn, CO 80234

Julie Brown – Cannon H35-21 –20 Day

2. Article Number

(Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature



- ☐
- Agent
- 
- ☐
- Addressee

B. Received by (Printed Name)

/

C. Date of Delivery

5/20/10

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐
- Certified Mail
- ☐
- Express Mail
- 
- ☐
- Registered
- ☐
- Return Receipt for Merchandise
- 
- ☐
- Insured Mail
- ☐
- C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7010 0290 0003 0933 5640

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Coda Energy, Inc.  
c/o Belco Energy Corp  
5735 Pineland Drive, Suite 300  
Dallas, TX 75231

Julie Brown – Cannon H35-21 –20 Day

2. Article Number

(Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

- ☐
- Agent
- 
- ☐
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

5/20/10

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐
- Certified Mail
- ☐
- Express Mail
- 
- ☐
- Registered
- ☐
- Return Receipt for Merchandise
- 
- ☐
- Insured Mail
- ☐
- C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7010 0290 0003 0933 5657

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540