

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:

400077828

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: VARRA Well Number: 22-28

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

9. Proposed Total Measured Depth: 7817

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 28 Twp: 3N Rng: 67W Meridian: 6

Latitude: 40.199636 Longitude: -104.898855

Footage at Surface: 1597 FNL/FSL FNL 1571 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4735 13. County: WELD

14. GPS Data:

Date of Measurement: 02/23/2010 PDOP Reading: 1.6 Instrument Operator's Name: CHRIS PEARSON

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

Footage at Top of Prod Zone: FNL/FSL 2550 FNL 1250 FWL 2550 FNL 1250 FWL
Sec: 28 Twp: 3N Rng: 67W Sec: 28 Twp: 3N Rng: 67W

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: 870 ft

18. Distance to nearest property line: 1028 ft 19. Distance to nearest well permitted/completed in the same formation: 811 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	GWA
NIOBRARA-CODELL	NB-CD	407	160	GWA

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#: 20010125

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):
T3N-R67W-SECTION 28: S/2NW & N/2SW & NWNW

25. Distance to Nearest Mineral Lease Line: 1250 ft 26. Total Acres in Lease: 200

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	700	490	700	
1ST	7+7/8	4+1/2	11.6	7,817	200	7,817	
1ST LINER							

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PROPOSED GWA UNIT CONFIGURATION FOR J-SAND:
W2 PROPOSED GWA UNIT CONFIGURATION FOR NB-CD: S/2NW & N/2SW

34. Location ID: 328872

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: 7/22/2010 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: 8/26/2010

API NUMBER

05 123 32106 00

Permit Number: _____ Expiration Date: 8/25/2012

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 Bo Brown at 970-397-4124 or e-mail at bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. 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.

Attachment Check List

Att Doc Num	Name	Doc Description
400077828	FORM 2 SUBMITTED	LF@2512541 400077828
400078487	DEVIATED DRILLING PLAN	LF@2512542 400078487
400079263	WELL LOCATION PLAT	LF@2512543 400079263
400079264	PROPOSED SPACING UNIT	LF@2512544 400079264
400079265	TOPO MAP	LF@2512545 400079265
400079266	MULTI-WELL PLAN	LF@2512546 400079266
400079267	OIL & GAS LEASE	LF@2512547 400079267
400079523	30 DAY NOTICE LETTER	LF@2512548 400079523

Total Attach: 8 Files

General Comments

User Group	Comment	Comment Date
Permit	J-Sand proposed unit is inconsistent with Rule 318Ae(1)B. Because the productive interval is to be located more than 460 ft from the J-Sand unit boundary, the J-Sand unit must conform to the existing unit (W2). Requested to add 232 spacing order, change unit acreage from 160 to 320, and change the unit configuration from (S2NW & N2SW) to W2 for the J-Sand objective.	8/19/2010 11:05:21 AM
Permit	Per Cheryl Light, add 232 spacing order, change unit acreage from 160 to 320, and change the unit configuration from (S2NW & N2SW) to W2 for the J-Sand objective.	8/19/2010 11:04:42 AM

Total: 2 comment(s)

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