

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:

400087714

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: SWEETGRASS Well Number: 10-14

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

9. Proposed Total Measured Depth: 8785

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 14 Twp: 1N Rng: 68W Meridian: 6

Latitude: 40.049220 Longitude: -104.964314

Footage at Surface: 1834 FNL/FSL FSL 872 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5136 13. County: WELD

14. GPS Data:

Date of Measurement: 05/07/2010 PDOP Reading: 1.7 Instrument Operator's Name: JERRY F. HARCEK, JR.

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

Footage at Top of Prod Zone: FNL/FSL 1980 FSL FSL 1980 FEL FEL Bottom Hole: FNL/FSL 1980 FSL FSL 1980 FEL FEL
Sec: 14 Twp: 1N Rng: 68W Sec: 14 Twp: 1N Rng: 68W

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: 550 ft

18. Distance to nearest property line: 550 ft 19. Distance to nearest well permitted/completed in the same formation: 1043 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	S/2
J-SAND	JSND	232	320	S/2
NIOBRARA-CODELL	NB-CD	407	80	N/2SE/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: 621 ft 26. Total Acres in Lease: 5753

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	1,160	812	1,160	0
1ST	7+7/8	4+1/2	11.6	8,785	200	8,785	

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

33. Comments NO CONDUCTOR CASING WILL BE USED. Kerr McGee Oil & Gas Onshore LP requests approval of a Rule 318Ac exception location: Wellhead is to be located more than 50' from an existing well location. Surface owner consent to exception location is provided by article 10.A of the SUA.

34. Location ID: 327687

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: 9/7/2010 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: 10/4/2010

API NUMBER

05 123 32313 00

Permit Number: _____ Expiration Date: 10/3/2012

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 Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. 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
2621962	EXCEPTION LOC REQUEST	LF@2588780 2621962
400087714	FORM 2 SUBMITTED	LF@2538134 400087714
400087720	WELL LOCATION PLAT	LF@2538135 400087720
400087722	TOPO MAP	LF@2538136 400087722
400087724	OIL & GAS LEASE	LF@2538137 400087724
400087726	30 DAY NOTICE LETTER	LF@2538138 400087726
400087728	DEVIATED DRILLING PLAN	LF@2538139 400087728
400087729	SURFACE AGRMT/SURETY	LF@2538140 400087729

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	This location is an exception to Rule 318A.c. Consent to exception location is granted in article 10.A of the Surface Use Agreement. Requested Exception Location Request Letter. Received request letter and uploaded to application as attachment. PVG	10/1/2010 2:06:54 PM
Permit	This location is in a high density area, more than 18 building units are located within a semi-circle of 1000'. Checked high density. The location meets all minimum setbacks for high density and does not require consultation. PVG	10/1/2010 2:06:25 PM
Engineer	changed csg/TD per CL 9/30	10/1/2010 9:44:42 AM

Total: 3 comment(s)

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