

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:
400129209
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: 37-32X

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

9. Proposed Total Measured Depth: 8051

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 32 Twp: 3N Rng: 67W Meridian: 6
Latitude: 40.176280 Longitude: -104.906110

Footage at Surface: 411 feet FSL 493 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4835 13. County: WELD

14. GPS Data:

Date of Measurement: 03/31/2008 PDOP Reading: 6.0 Instrument Operator's Name: Daniel J. Corriell

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

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____
50 FSL 1260 FEL 50 FSL 1260 FEL
Sec: 32 Twp: 3N Rng: 67W Sec: 32 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: 411 ft

18. Distance to nearest property line: 411 ft 19. Distance to nearest well permitted/completed in the same formation: 876 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| JSAND | JSND | 232 | 160 | GWA |
| NIOBRARA-CODELL | NB-CD | 470 | 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#: _____

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 and gas lease

25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 160

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 | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | | 1,155 | 809 | 1,155 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | | 8,051 | 200 | 8,051 | |

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

33. Comments NO CONDUCTOR CASING WILL BE USED/THIS WELL IS A SIDETRACK

34. Location ID: 330474

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: SENIOR REGULATORY ANALYST Date: _____ 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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER
05 123 30935 01

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.

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Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400129215 | SURFACE AGRMT/SURETY |
| 400129219 | 30 DAY NOTICE LETTER |
| 400129221 | PLAT |
| 400129222 | TOPO MAP |
| 400129223 | OIL & GAS LEASE |
| 400129224 | PROPOSED SPACING UNIT |
| 400129226 | DEVIATED DRILLING PLAN |
| 400129229 | EXCEPTION LOC REQUEST |
| 400129230 | EXCEPTION LOC WAIVERS |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
| | |

Total: 0 comment(s)