

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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Document Number:
400134589
Plugging Bond Surety
19880020

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

3. Name of Operator: MARATHON OIL COMPANY 4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE
City: HOUSTON State: TX Zip: 77056

6. Contact Name: Anna Walls Phone: (713)296-3468 Fax: (713)513-4394
Email: avwalls@marathonoil.com

7. Well Name: Rawhide Flats 10-68-16 Well Number: 1B

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

9. Proposed Total Measured Depth: 11800

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 16 Twp: 10N Rng: 68W Meridian: 6
Latitude: 40.839661 Longitude: -105.002416

Footage at Surface: 600 feet FNL 600 feet FEL
FNL/FSL FEL/FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5579 13. County: LARIMER

14. GPS Data:

Date of Measurement: 12/15/2010 PDOP Reading: 1.0 Instrument Operator's Name: Alec Thomas

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
1010 FNL 1010 FEL 600 FSL 600 FWL
Sec: 16 Twp: 10N Rng: 68W Sec: 16 Twp: 10N 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: 563 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation: 1633 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.)
Niobrara	NBRR			

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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):
All of Section 16, T10N, R68W, 6th P.M.
25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 640

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No
31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**
Method: Land Farming Land Spreading Disposal Facility Other: recycle or evap in cutting pit
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
CONDUCTOR	24	20		0	40			
SURF	15	13+3/8		0	1,200	200	1,200	0
1ST	12+1/4	8+5/8		0	6,300	1,500	6,300	0
1ST LINER	7+7/8	5+1/2	15.5	5000	11,800	900	11,800	5,000

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments Rawhide Flats 10-68-16-1B is one of two horizontal wells (Rawhide Flats 10-68-16-1A) to be permitted in Section 36. However, Marathon intends to drill only one of these horizontal wells in the section.

34. Location ID: _____
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: Anna Walls
Title: Regulatory Compliance Rep Date: 2/24/2011 Email: avwalls@marathonoil.com

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. Nesline Director of COGCC Date: 3/31/2011

API NUMBER: **05 069 06436 00** Permit Number: _____ Expiration Date: 3/30/2013

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) Note surface casing setting depth change from 650' to 1200'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from end of production casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to 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
2537257	DEVIATED DRILLING PLAN
400134589	FORM 2 SUBMITTED
400134598	30 DAY NOTICE LETTER
400134599	PLAT
400134601	DEVIATED DRILLING PLAN

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	-----HOLD OFF--OK with SLB	3/8/2011 5:05:03 PM
Permit	---Monitor well is roughly 410' from horizontal well bore. This interpretation/accuracy may be subject to change.	3/7/2011 7:29:37 PM
Permit	----ON HOLD- E-mailed Tim Kelly at SLB for verification of Surface Restoration bond.---Reviewed	3/7/2011 7:29:37 PM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)