

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES	
<b>APPLICATION FOR PERMIT TO:</b>			Document Number: 400139424  Plugging Bond Surety 20010124	
1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate				
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>		
3. Name of Operator: <u>KERR-MCGEE OIL &amp; GAS ONSHORE LP</u>		4. COGCC Operator Number: <u>47120</u>		
5. Address: <u>P O BOX 173779</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80217-3779</u>				
6. Contact Name: <u>REBECCA HEIM</u> Phone: <u>(720)929-6361</u> Fax: <u>(720)929-7361</u> Email: <u>rebecca.heim@anadarko.com</u>				
7. Well Name: <u>PIONEER</u>		Well Number: <u>26-11</u>		
8. Unit Name (if appl): _____		Unit Number: _____		
9. Proposed Total Measured Depth: <u>7804</u>				
<b>WELL LOCATION INFORMATION</b>				
10. QtrQtr: <u>SESE</u> Sec: <u>2</u> Twp: <u>2N</u> Rng: <u>65W</u> Meridian: <u>6</u> Latitude: <u>40.162178</u> Longitude: <u>-104.623539</u>				
Footage at Surface: <u>643</u> feet    FNL/FSL <u>610</u> feet    FEL/FWL FSL    FEL				
11. Field Name: <u>WATTENBERG</u>		Field Number: <u>90750</u>		
12. Ground Elevation: <u>4849</u>		13. County: <u>WELD</u>		
14. GPS Data: Date of Measurement: <u>11/18/2010</u> PDOP Reading: <u>1.6</u> Instrument Operator's Name: <u>CHRIS PEARSON</u>				
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone:    FNL/FSL    FEL/FWL    Bottom Hole:    FNL/FSL    FEL/FWL <u>50</u> FNL <u>50</u> FEL <u>50</u> FNL <u>50</u> FEL Sec: <u>11</u> Twp: <u>2N</u> Rng: <u>65W</u> Sec: <u>11</u> Twp: <u>2N</u> Rng: <u>65W</u>				
16. Is location in a high density area? (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
17. Distance to the nearest building, public road, above ground utility or railroad: <u>487 ft</u>				
18. Distance to nearest property line: <u>602 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>723 ft</u>				
20. <b>LEASE, SPACING AND POOLING INFORMATION</b>				
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	160	GWA
NIOBRARA-CODELL	NB-CD	407	160	GWA

**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):  
PLEASE SEE ATTACHED 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 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: \_\_\_\_\_  
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	0	800	560	800	
1ST	7+7/8	4+1/2	11.6	0	7,804	200	7,804	

32. BOP Equipment Type:  Annular Preventer  Double Ram  Rotating Head  None  
33. Comments **NO CONDUCTOR CASING WILL BE USED. UNIT CONFIGURATION: NB-CD & JSND Sec 11 NE/4NE/4; Sec 12 NW/4NW/4; Sec 1 SW/4SW/4; Sec 2 SE/4SE/4**

34. Location ID: 413954  
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: REBECCA HEIM  
Title: REGULATORY ANALYST II Date: 3/18/2011 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: 4/11/2011

API NUMBER: **05 123 33319 00** Permit Number: \_\_\_\_\_ Expiration Date: 4/10/2013  
**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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.

-Operator must meet the water well testing requirements as per Rule 318A.e.(4)---Section 11, 2N, 65W

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 3) 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
400139424	FORM 2 SUBMITTED
400139431	DEVIATED DRILLING PLAN
400139432	30 DAY NOTICE LETTER
400139433	OIL & GAS LEASE
400139434	PLAT
400139435	PROPOSED SPACING UNIT
400139436	TOPO MAP
400139437	SURFACE AGRMT/SURETY

Total Attach: 8 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	--Well is twinned from Pioneer 37-2, approximately 49' to the west.	3/22/2011 10:05:20 AM

Total: 1 comment(s)

**BMP**

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

Total: 0 comment(s)