

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		DE ET OE ES	
APPLICATION FOR PERMIT TO:			Document Number: 400144361 Plugging Bond Surety 20010124	
1. <input checked="" type="checkbox"/> Drill, <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 & 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>HUDCO</u>		Well Number: <u>24-18</u>		
8. Unit Name (if appl): _____		Unit Number: _____		
9. Proposed Total Measured Depth: <u>8046</u>				
WELL LOCATION INFORMATION				
10. QtrQtr: <u>NESE</u> Sec: <u>18</u> Twp: <u>2N</u> Rng: <u>65W</u> Meridian: <u>6</u> Latitude: <u>40.137235</u> Longitude: <u>-104.699215</u>				
Footage at Surface: <u>2151</u> feet <u>FSL</u> <u>534</u> feet <u>FEL</u> <small style="margin-left: 100px;">FNL/FSL</small> <small style="margin-left: 100px;">FEL/FWL</small>				
11. Field Name: <u>WATTENBERG</u>		Field Number: <u>90750</u>		
12. Ground Elevation: <u>4982</u>		13. County: <u>WELD</u>		
14. GPS Data: Date of Measurement: <u>10/27/2010</u> PDOP Reading: <u>2.4</u> Instrument Operator's Name: <u>BEN MILIUS</u>				
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL <u>2540</u> <u>FSL</u> <u>1180</u> <u>FEL</u> <u>2540</u> <u>FSL</u> <u>1180</u> <u>FEL</u> Sec: <u>18</u> Twp: <u>2N</u> Rng: <u>65W</u> Sec: <u>18</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>569 ft</u>				
18. Distance to nearest property line: <u>517 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>764 ft</u>				
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

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 OGL.

25. Distance to Nearest Mineral Lease Line: 131 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	920	630	920	
1ST	7+7/8	4+1/2	11.6	0	8,046	200	8,046	

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

33. Comments NO CONDUCTOR CASING WILL BE USED. UNIT CONFIGURATION: NB-CD S/2NE/4; N2/SE/4; JSND E/2. Kerr Mcgee requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Waiver attached.

34. Location ID: 305401

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: 4/6/2011 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. Nesline Director of COGCC Date: 4/28/2011

API NUMBER 05 123 33445 00	Permit Number: _____	Expiration Date: <u>4/27/2013</u>
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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.

- 1) Note surface casing setting depth change from 900' to 920'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 48 hour notice of MIRU to Jim Precup at 303-726-3822 or e-mail at jim.precup@state.co.us.
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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
400144361	FORM 2 SUBMITTED
400144362	DEVIATED DRILLING PLAN
400144363	30 DAY NOTICE LETTER
400144364	PLAT
400144365	PROPOSED SPACING UNIT
400144366	SURFACE AGRMT/SURETY
400144367	TOPO MAP
400144368	WAIVERS
400144369	EXCEPTION LOC REQUEST
400144370	OIL & GAS LEASE

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Waiver not necessary since well in in the window and the existing well is being twinned.	4/7/2011 2:36:40 PM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)