

|   |   |   |   |                                      |    |    |    |
|---|---|---|---|--------------------------------------|----|----|----|
| <b>FORM</b><br><b>2</b><br>Rev<br>12/05   | State of Colorado<br><b>Oil and Gas Conservation Commission</b><br>1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109 |  | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table> | DE                                   | ET | OE | ES |
| DE  | ET  | OE  | ES  |                                      |    |    |    |
| <b>APPLICATION FOR PERMIT TO:</b>   |   |   | Document Number:<br><br>1634869<br><br>Plugging Bond Surety<br><br>20010124   |                                      |    |    |    |
| 1. <input type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input checked="" type="checkbox"/> <b>Recomplete and Operate</b>  |   |   |   |                                      |    |    |    |
| 2. TYPE OF WELL<br>OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____<br>SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" 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><br>City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80217-3779</u>  |   |   |   |                                      |    |    |    |
| 6. Contact Name: <u>CHERYL LIGHT</u> Phone: <u>(720)929-6461</u> Fax: <u>(720)929-7461</u><br>Email: <u>CHERYL.LIGHT@ANADARKO.COM</u>   |   |   |   |                                      |    |    |    |
| 7. Well Name: <u>HSR-CANNON LAND</u> Well Number: <u>13-11A</u>   |   |   |   |                                      |    |    |    |
| 8. Unit Name (if appl): _____      Unit Number: _____   |   |   |   |                                      |    |    |    |
| 9. Proposed Total Measured Depth: <u>8202</u>   |   |   |   |                                      |    |    |    |
| <b>WELL LOCATION INFORMATION</b>  |   |   |   |                                      |    |    |    |
| 10. QtrQtr: <u>SWSW</u> Sec: <u>11</u> Twp: <u>2N</u> Rng: <u>66W</u> Meridian: <u>6</u><br>Latitude: <u>40.147740</u> Longitude: <u>-104.752010</u>  |   |   |   |                                      |    |    |    |
| Footage at Surface: <u>843</u> feet    FNL/FSL <u>FSL</u> <u>500</u> feet    FEL/FWL <u>FWL</u>   |   |   |   |                                      |    |    |    |
| 11. Field Name: <u>WATTENBERG</u> Field Number: <u>90750</u>  |   |   |   |                                      |    |    |    |
| 12. Ground Elevation: <u>5041</u> 13. County: <u>WELD</u>   |   |   |   |                                      |    |    |    |
| 14. GPS Data:<br>Date of Measurement: <u>09/15/2006</u> PDOP Reading: <u>3.5</u> Instrument Operator's Name: <u>STEVE FISHER</u>  |   |   |   |                                      |    |    |    |
| 15. If well is <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b><br>Footage at Top of Prod Zone:    FNL/FSL _____    FEL/FWL _____    Bottom Hole:    FNL/FSL _____    FEL/FWL _____<br>_____<br>_____<br>Sec: _____    Twp: _____    Rng: _____    Sec: _____    Twp: _____    Rng: _____ |   |   |   |                                      |    |    |    |
| 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>500 ft</u>  |   |   |   |                                      |    |    |    |
| 18. Distance to nearest property line: <u>500 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>857 ft</u>  |   |   |   |                                      |    |    |    |
| <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.) |    |    |    |
| NIOBRARA-CODELL   | NB-CD   | 407   | 80  | W/2SW/4                              |    |    |    |

**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):  
SEE ATTACHED LEASE DATED OCTOBER 16, 1970

25. Distance to Nearest Mineral Lease Line: 500 ft 26. Total Acres in Lease: 5725

**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            | 937           | 655       | 937     | 0       |
| 1ST         | 7+7/8        | 4+1/2          |       | 11            | 8,196         | 260       | 8,196   | 6,970   |

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

33. Comments A FORM 2A IS NOT REQUIRED FOR THIS RECOMPLETION BECAUSE NO PIT WILL BE CONSTRUCTED AND THERE WILL BE NO ADDITIONAL SURFACE DUSTURBANCE BEYOND THE ORIGINALLY DISTURBED AREA. RECOMPLETION FORM 4 DOC # 1634873

34. Location ID: 330857

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: 4/4/2011 Email: CHERYL.LIGHT@ANADARKO.

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: 5/5/2011

**API NUMBER**  
05 123 19783 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/4/2013

**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.

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**Attachment Check List**

| Att Doc Num | Name                    |
|-------------|-------------------------|
| 1634869     | APD ORIGINAL            |
| 1634870     | LEGAL/LEASE DESCRIPTION |
| 1634871     | SURFACE AGRMT/SURETY    |
| 1634872     | 30 DAY NOTICE LETTER    |

Total Attach: 4 Files

**General Comments**

| <b><u>User Group</u></b> | <b><u>Comment</u></b>                                      | <b><u>Comment Date</u></b> |
|--------------------------|--|----------------------------|
| Permit                   | Checked Multiple zone since J Sand already producing. plg. | 4/22/2011<br>9:34:02 AM    |

Total: 1 comment(s)

**BMP**

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

Total: 0 comment(s)