

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:
400154628
Plugging Bond Surety
20010124

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: 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: REBECCA HEIM Phone: (720)929-6361 Fax: (720)929-7361
Email: rebecca.heim@anadarko.com

7. Well Name: DACONO Well Number: 21-2

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

9. Proposed Total Measured Depth: 8394

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 2 Twp: 1N Rng: 68W Meridian: 6
Latitude: 40.082008 Longitude: -104.973283

Footage at Surface: 2068 feet FNL/FSL FNL 1861 feet FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5016 13. County: WELD

14. GPS Data:

Date of Measurement: 10/25/2010 PDOP Reading: 1.9 Instrument Operator's Name: CHRIS PEARSON

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

Footage at Top of Prod Zone: FNL/FSL 1320 FNL 2560 FWL 1320 FNL 2560 FWL
Bottom Hole: FNL/FSL 1320 FNL 2560 FWL
Sec: 2 Twp: 1N Rng: 68W Sec: 2 Twp: 1N 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: 1403 ft

18. Distance to nearest property line: 578 ft 19. Distance to nearest well permitted/completed in the same formation: 997 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.)
J SAND	JSND	232-277	160	GWA
NIOBRARA-CODELL	NB-CD	407-436	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#: 20010125

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 Bond \$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: 1234 ft 26. Total Acres in Lease: 717

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	900	630	900	
1ST	7+7/8	4+1/2	11.6	0	8,394	200	8,394	

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

33. Comments NO CONDUCTOR CASING WILL BE USED. UNIT CONFIGURATION: NB-CD & JSND E/2NW/4; W/2NE/2. PENDING COMMISSION HEARING ON MAY 16, 2011.

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: REBECCA HEIM

Title: REGULATORY ANALYST II Date: 4/28/2011 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: 6/29/2011

API NUMBER: **05 123 33817 00** Permit Number: _____ Expiration Date: 6/28/2013

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.

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.
- 3) 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
400154628	FORM 2 SUBMITTED
400154633	30 DAY NOTICE LETTER
400154634	PLAT
400154635	PROPOSED SPACING UNIT
400154636	TOPO MAP
400155992	DEVIATED DRILLING PLAN
400159992	OIL & GAS LEASE

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Added new spacing orders 232-277 for J Sand & 407-436 for NB-CD allowing 12 completions in the NW¼ of Section 36, Township 1 North, Range 68 West.	6/29/2011 3:43:49 PM
Permit	ON HOLD: 1105-EX-08 continued to June hearing.	5/19/2011 4:40:07 PM
Permit	ON HOLD: pending commission hearing on May 16, 2011. Will be 10th well in qtr. plg. ready to pass.	5/3/2011 4:23:18 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)