


<b>FORM</b> <b>2</b> Rev 12/05	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 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:  400167174  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 checked="" type="checkbox"/> MULTIPLE ZONE <input 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>POWERS</u> Well Number: <u>2N-23HZ</u>							
8. Unit Name (if appl): _____    Unit Number: _____							
9. Proposed Total Measured Depth: <u>11429</u>							
<b>WELL LOCATION INFORMATION</b>							
10. QtrQtr: <u>SWSE</u> Sec: <u>23</u> Twp: <u>2N</u> Rng: <u>65W</u> Meridian: <u>6</u> Latitude: <u>40.117418</u> Longitude: <u>-104.627462</u>							
Footage at Surface: <u>225</u> feet    FNL/FSL <u>FSL</u> 1597 feet    FEL/FWL <u>FEL</u>							
11. Field Name: <u>WATTENBERG</u> Field Number: <u>90750</u>							
12. Ground Elevation: <u>4908</u> 13. County: <u>WELD</u>							
14. GPS Data: Date of Measurement: <u>03/28/2011</u> PDOP Reading: <u>2.1</u> Instrument Operator's Name: <u>OWEN McKEE</u>							
15. If well is <input type="checkbox"/> Directional <input checked="" type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone: FNL/FSL <u>774</u> FSL <u>1465</u> FEL <u>460</u> Bottom Hole: FNL/FSL <u>1500</u> FEL/FWL <u>FEL</u> Sec: <u>23</u> Twp: <u>2N</u> Rng: <u>65W</u> Sec: <u>23</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>282 ft</u>							
18. Distance to nearest property line: <u>225 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>1643 ft</u>							
<b>20. 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	NBRR		320	E/2			

**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: 460 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	9+5/8	36	0	920	250	920	0
1ST	8+3/4	7	26	0	7,387	710	7,387	
2ND	6+1/8	4+1/2	11.6	0	11,429	0	11,429	6,136

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

33. Comments No conductor casing will be used. 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. Proposed spacing unit is E/2 section 23

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: 5/20/2011 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. Nash Director of COGCC Date: 7/14/2011

**API NUMBER**

05 123 33948 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/13/2013

**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 750' 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 end of production casing to a minimum of 200' above the Niobrara. Verify coverage with cement bond log.
- 4)Comply with Rule 321. Run and submit Directional Survey from end of production casing 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
2530738	PROPOSED SPACING UNIT
400167174	FORM 2 SUBMITTED
400167197	OIL & GAS LEASE
400167198	OIL & GAS LEASE
400167199	30 DAY NOTICE LETTER
400167200	DEVIATED DRILLING PLAN
400167201	PLAT
400167202	TOPO MAP
400167203	WAIVERS
400167204	EXCEPTION LOC REQUEST

Total Attach: 10 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Updated permit with proposed spacing unit attachments.	6/9/2011 9:48:53 AM
Permit	On hold waiting for proposed spacing unit attachments	5/24/2011 10:47:07 AM

Total: 2 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>
Drilling/Completion Operations	During the fracing of this Powers horizontal well, Kerr-McGee will monitor the casing pressure of the existing UPRR 62 PAN AM Unit I1 and UPRR 62 PAN AM E2 wells for a period of 24-hours and report this casing pressure to the COGCC staff via a sundry.

Total: 1 comment(s)