

APPLICATION FOR PERMIT TO:

1. **Drill,** Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL
 OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE COMMINGLE

Refiling
 Sidetrack

Document Number:
 400191825
 Plugging Bond Surety
 20010124

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: CANNON Well Number: 1N-11HZ
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 11868

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 11 Twp: 2N Rng: 66W Meridian: 6
 Latitude: 40.146991 Longitude: -104.736804
 Footage at Surface: 502 feet FNL/FSL 548 feet FEL/FWL FEL
 11. Field Name: WATTENBERG Field Number: 90750
 12. Ground Elevation: 5058 13. County: WELD

14. GPS Data:
 Date of Measurement: 06/29/2011 PDOP Reading: 2.2 Instrument Operator's Name: OWEN McKEE

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 642 FSL 695 FEL 695 Bottom Hole: FNL/FSL 460 FNL 480 FEL 480
 Sec: 11 Twp: 2N Rng: 66W Sec: 11 Twp: 2N Rng: 66W

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: 470 ft
 18. Distance to nearest property line: 502 ft 19. Distance to nearest well permitted/completed in the same formation: 326 ft

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.)
Niobrara	NBRR		160	E/2E/2

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):

SEE ATTACHED OIL AND GAS LEASE

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	900	450	900	
1ST	8+3/4	7+0/0	26	0	7,679	730	7,679	
1ST LINER	6+1/8	4+1/2	11.6	0	11,868	0	11,868	6,438

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

33. Comments No conductor casing will be used.

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: _____ 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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400191840	30 DAY NOTICE LETTER
400191841	DEVIATED DRILLING PLAN
400191842	PLAT
400191843	PROPOSED SPACING UNIT
400191845	TOPO MAP
400191846	OIL & GAS LEASE

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	During the fracing of this Cannon horizontal well, Kerr-McGee will monitor the casing pressure of the existing Cannon Land 9-11A and Cannon Land 8-11 wells for a period of 24-hours and report this casing pressure to the COGCC staff via a sundry.

Total: 1 comment(s)