

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:
400191854

PluggingBond SuretyID
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: 2C-11HZ

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

9. Proposed Total Measured Depth: 12240

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 11 Twp: 2N Rng: 66W Meridian: 6
Latitude: 40.147035 Longitude: -104.736804

Footage at Surface: 518 feet FSL 548 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5057 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL

1132 FSL 1324 FEL 460 FNL 1820 FEL

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: 486 ft

18. Distance to nearest property line: 518 ft 19. Distance to nearest well permitted/completed in the same formation: 256 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.)
Codell	CODL		320	E/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	8,040	760	8,040	
1ST LINER	6+1/8	4+1/2	11.6	6934	12,240			

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

33. Comments No conductor casing will be used.

34. Location ID: 332128

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: 8/3/2011 Email: DJREGULATORY@

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: 8/31/2011

API NUMBER
05 123 34285 00

Permit Number: _____ Expiration Date: 8/30/2013

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) 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 end of 7" casing to a minimum of 200' above Niobrara. 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
400191854	FORM 2 SUBMITTED
400191856	TOPO MAP
400191857	30 DAY NOTICE LETTER
400191858	DEVIATED DRILLING PLAN
400191859	PLAT
400191860	PROPOSED SPACING UNIT
400191861	OIL & GAS LEASE

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Added location ID.	8/8/2011 11:11:42 AM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Cannon 2C-11HZ - During the fracing of this Cannon horizontal well, Kerr-McGee will monitor the casing pressure of the existing UPRR 38 PAN AM F1 and Cannon Land 2-11 wells for a period of 24-hours and report this casing pressure to the COGCC staff via a sundry.

Total: 1 comment(s)