

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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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:

400192069

PluggingBond SuretyID

20030009

3. Name of Operator: NOBLE ENERGY INC

4. COGCC Operator Number: 100322

5. Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

6. Contact Name: MARI CLARK Phone: (303)228-4413 Fax: (303)228-4286

Email: mclark@nobleenergyinc.com

7. Well Name: SCHNEIDER USX II Well Number: 31-25D

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

9. Proposed Total Measured Depth: 7630

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 31 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.525820 Longitude: -104.825070

Footage at Surface: 833 feet FNL/FSL 1979 feet FEL/FWL
FSL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4906 13. County: WELD

14. GPS Data:

Date of Measurement: 07/15/2011 PDOP Reading: 1.6 Instrument Operator's Name: DAVID C HOLMES

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
1412 FSL 1212 FWL 1412 FSL 1212 FWL
Sec: 31 Twp: 7N Rng: 66W Sec: 31 Twp: 7N 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: 720 ft

18. Distance to nearest property line: 700 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 899 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | UNSPACED | 160 | SW/4 |
| NIOBRARA | NBRR | UNSPACED | 160 | SW/4 |

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 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):

T7N, R66W, SEC. 31: E/2SW/4

25. Distance to Nearest Mineral Lease Line: 92 ft

26. Total Acres in Lease: 80

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+1/2 | 8+5/8 | 24 | 0 | 850 | 352 | 850 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 7,630 | 839 | 7,630 | |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. 1ST STRING TOP OF CEMENT = 200' ABOVE NIOBRARA. WELL IS TO BE TWINNED WITH EXISTING SCHNEIDER USX II31-12PD & 31-14 & PROPOSED SCHNEIDER USX II31-11D, & 31-13D CREATING A 5 WELL PAD.

34. Location ID: 302230

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: MARI CLARK

Title: REG. ANALYST II Date: 9/9/2011 Email: mclark@nobleenergyinc.com

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: 10/5/2011

API NUMBER

05 123 34504 00

Permit Number: _____ Expiration Date: 10/4/2013

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 via e-mail at jim.precup@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from the 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 |
|-------------|------------------------|
| 2481184 | SURFACE CASING CHECK |
| 400192069 | FORM 2 SUBMITTED |
| 400204086 | 30 DAY NOTICE LETTER |
| 400204087 | DEVIATED DRILLING PLAN |
| 400204090 | WELL LOCATION PLAT |
| 400204091 | SURFACE AGRMT/SURETY |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|-------------------------|
| Permit | Reviewed lease information as correct. Ready to pass pending 20 day comments. | 9/16/2011 8:28:47 AM |
| Permit | On hold for information on lease in w/2 of SW/4 | 9/15/2011 2:16:09 PM |
| Permit | Returned to draft. Missing location ID #. Mineral lease does not appear to cover BHL. | 9/9/2011 9:01:01 AM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--|---|
| Storm Water/Erosion Control | Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit No. COR-038637. BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation. |
| Material Handling and Spill Prevention | Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR 112. |
| General Housekeeping | Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each work day. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pickup trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly. |

Total: 3 comment(s)