



June 20, 2012

Department of Natural Resources  
Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln St., Suite 801  
Denver, CO 80203

Re: Operator Request Letter to Rule 318A.m.  
Raymond 37N-29HZ  
Township 3N North, Range 66 West  
Section 29: NE/4NE/4  
Weld County, Colorado

Ladies/Gentlemen:

Kerr-McGee Oil & Gas Onshore LP (KMG) is making application for a drilling permit for the above captioned well. As currently planned, the wellbore(s) of the following well(s) will lie within 150 feet of the horizontal lateral of the captioned well:

- |                 |                |                    |
|-----------------|----------------|--------------------|
| 1. 05-123-29270 | Miller L 29-22 | Noble Energy, Inc. |
| 2. 05-123-10813 | Miller L 29-10 | Noble Energy, Inc. |

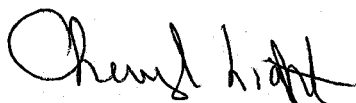
Prior to drilling operations, Operator will perform an anti-collision review of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision review may include MWD or gyro surveys and surface locations of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5, or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as is appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, the environment or property. For the proposed well, upon conclusion of drilling operations, an as-constructed directional survey will be submitted to COGCC with the Form 5.

Rule 318A.m of the Colorado Oil and Gas Commission's Rules and Regulations does not allow horizontal wells to be drilled within 150' of other wells unless this requirement is waived by the Operator of the encroached upon well(s). Signed written waiver(s) of the encroached upon well(s) are attached to the APD.

KMG respectfully requests the Director to accept this Operator Request Letter to allow the above referenced well to be drilled within 150' of the well(s) listed above.

Very truly yours,

**Kerr-McGee Oil & Gas Onshore LP**

A handwritten signature in black ink, appearing to read "Cheryl Light", with a stylized flourish at the end.

Cheryl Light  
Senior Regulatory Analyst

## 150 ft Waiver - Stipulations to Agreement

### Liability:

Notwithstanding anything contained to the contrary in any Joint Operating Agreement entered into by Noble Energy, Inc. (Vertical Operator) and Kerr McGee Onshore Oil & Gas, L.P. (Horizontal Operator) covering the Raymond 37N-29HZ well, any damage caused to the Miller L 29-22 well (API No. 05-123-29270) and/or the Miller L 29-10 well (API No. 05-123-10813) by the drilling, ~~completion, or operations~~ of the Raymond 37N-29HZ well shall be the sole responsibility of Kerr McGee Onshore Oil & Gas, L.P., and as between Kerr McGee and Noble, Kerr McGee agrees to accept sole liability and indemnify, defend and hold Noble harmless for such damage. ADM

Pertaining to this wellbore, the Raymond 37N-29HZ, Kerr-McGee Oil & Gas, L.P. hereby agrees to keep the wellbore at least 100 feet away from the Noble Energy, Inc. operated Miller L 29-22 well.

### Responsibilities & Costs:

The Horizontal Operator will determine if cased well directional surveys need to be performed on the vertical wells in question. If required, the work will be executed by the Vertical Operator on a schedule mutually agreed to by the Vertical Operator and the Horizontal Operator. A flat rate fee of \$15,000/well will be charged to the joint account of the subject horizontal wellbore for gyro surveys for all vertical wells within 150' of the horizontal wellbore that require gyro surveys. (gyro)

### Technical Research:

The Horizontal Operator will be responsible for technical review and risk assessment of conducting horizontal operations near said vertical wellbores. This review will include consideration of vertical wellhead pressure ratings, collision risk, and wellbore cement and general integrity including surface casing depth. Horizontal Operator's execution hereof shall serve as Horizontal Operator's request for all pertinent well data from the Vertical Operator.

### Timing:

At least 30 days prior to the horizontal well spud date and at least 60 days prior to its completion date, the Vertical Operator shall be notified. The purpose of this notification is to ensure that Vertical Operator equips the vertical wells for monitoring. In heavy agricultural use areas, additional time may be required to plan and access wellheads.

Election: Signed this 15 day of June, 2012.

Horizontal Operator agrees to the Stipulations set forth above: [Signature]

Vertical Operator agrees to the Stipulations set forth above: [Signature]

Daniel E. Kelly  
Attorney-in-Fact

1625 Broadway  
Suite 2200  
Denver, Colorado 80202

Tel: 303.228.4000  
Fax: 303.228.4280



June 13, 2012

Kerr-McGee Oil & Gas  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

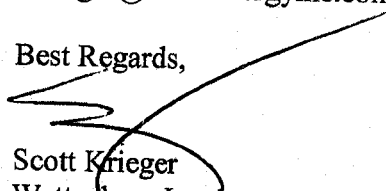
Attn: Dave Sullivan  
Re: Raymond 37N-29HZ

Dear Mr. Sullivan:

Enclosed are signed replies for the subject wells in which Noble Energy, Inc. elects to waive the one hundred and fifty foot (150') minimum intrawell distance as specified in COGCC Rule 318A.m. Attached are Noble's stipulations to this agreement, which must be signed and returned to my attention for acknowledgement and receipt of the stipulations.

If I can be of further assistance, please call me at 303-228-4345 or email me at [skrieger@nobleenergyinc.com](mailto:skrieger@nobleenergyinc.com)

Best Regards,



Scott Krieger  
Wattenberg Land  
Noble Energy, Inc.