

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

400305445

Date Received:

07/30/2012

PluggingBond SuretyID

20030009

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 ☐

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: Justin Garrett Phone: (303)228-4449 Fax: (303)228-4286

Email: JDGarrett@nobleenergyinc.com

7. Well Name: Wells Ranch State USX Well Number: AA16-64-1HNL

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

9. Proposed Total Measured Depth: 16450

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 14 Twp: 6N Rng: 63W Meridian: 6

Latitude: 40.484620 Longitude: -104.412580

Footage at Surface: 1933 feet FNL/FSL 244 feet FEL/FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4756 13. County: WELD

14. GPS Data:

Date of Measurement: 05/31/2012 PDOP Reading: 1.3 Instrument Operator's Name: Adam Kelly

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
1652 FSL 536 FEL 1650 FSL 535 FWL
Sec: 15 Twp: 6N Rng: 63W Sec: 16 Twp: 6N Rng: 63W

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: 235 ft

18. Distance to nearest property line: 244 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 155 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.)
Niobrara	NBRR		640	GWA

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):

Noble Energy Inc. certifies that the lease(s) shall be committed to the unit. Please see attached lease description.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 640

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: Closed loop

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
CONDUCTOR	18+1/2	16+0/0		0	100	6	100	0
SURF	13+3/4	9+5/8	36	0	600	300	600	0
1ST	8+3/4	7+0/0	26	0	6,989	489	6,989	
1ST LINER	6+1/8	4+1/2	11.6	6850	16,450			

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

33. Comments First String top of cement will be 200' above Niobrara formation. The production liner will be hung off inside 7" casing. Well is part of a two-well pad consisting of the proposed Wells Ranch State USX AA16-64-1HNL (Doc #400305445) and Wells Ranch State USX AA16-65-1HNL (Doc #400305447); multi-well plan attached. Production facilities were already permitted into the existing Wells Ranch Sec 14 EcoNode. Wellbore passes through both State and Fee mineral ownership (State Lease #9056/6-S). Unit Configuration = Sec 15: S/2, Sec 16: S/2. SUA Attached. Noble Energy Inc. requests approval of Rule 318A.a Surface location outside window; 318A.c Twinning location exception, request letter and signed waiver are attached. Operator requests approval of a Rule 318Am exception location: Wellhead is to be located less than 150' from an existing wellbore. Request attached.

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: Justin Garrett

Title: Regulatory Specialist Date: 7/30/2012 Email: JDGarrett@nobleenergyinc.co

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 8/30/2012

API NUMBER

05 123 36043 00

Permit Number: _____ Expiration Date: 8/29/2014

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 notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the intermediate casing to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

Operator must meet water well sampling requirements as per Rule 318A.

Attachment Check List

Att Doc Num	Name
2481767	SURFACE CASING CHECK
400305445	FORM 2 SUBMITTED
400310514	DIRECTIONAL DATA
400310516	30 DAY NOTICE LETTER
400310517	WELL LOCATION PLAT
400310518	DEVIATED DRILLING PLAN
400310519	LEGAL/LEASE DESCRIPTION
400310521	MULTI-WELL PLAN
400310523	SURFACE AGRMT/SURETY
400310524	EXCEPTION LOC REQUEST
400310526	EXCEPTION LOC WAIVERS
400310530	EXCEPTION LOC REQUEST
400310533	PROPOSED SPACING UNIT

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	The nearest well to the proposed wellbore is 155' per operator. This well does not require any waivers from adjacent well owners. Final Review Completed. No LGD or public comment received.	8/29/2012 7:54:19 AM
Permit	Bond and lease in good order per state land board.	8/27/2012 2:13:11 PM
Permit	Requested verification of bond and lease from state land board.	8/27/2012 9:24:52 AM
Permit	Distance to lease line is 0 feet. Horizontal well crosses lease line.	7/31/2012 3:23:44 PM
Permit	This horizontal well comes within 300 feet or less of another active/planned oil and gas well. Operator has provided the Frac monitoring BMP.	7/31/2012 2:19:47 PM
Permit	On hold - 318m intra-well request does not include the well owned by another operator. Other well is also by another operator.	7/31/2012 1:55:56 PM
Permit	Operator requests approval of a Rule 318Am exception location: Wellhead is to be located less than 150' from an existing wellbore. Request attached.	7/31/2012 1:53:21 PM
Permit	Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Operator requests an exception location to 318Aa, 318Ac: Exception request and waiver attached.	7/31/2012 1:52:39 PM

Total: 8 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.
Drilling/Completion Operations	<p>Anti-collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys 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 scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.</p> <p>During and Post stimulation: Noble Energy will comply with the COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12</p>
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: 4 comment(s)