

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400334285

Date Received:

10/08/2012

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: SUSAN MILLER Phone: (303)228-4246 Fax: (303)228-4286

Email: smiller@nobleenergyinc.com

7. Well Name: WELLS RANCH

Well Number: AE08-67-1HNR

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 11153

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 8 Twp: 6N Rng: 62W Meridian: 6

Latitude: 40.504150

Longitude: -104.354950

Footage at Surface: 1560 feet FNL/FSL 272 feet FEL/FWL
 FNL FWL

11. Field Name: Wattenberg

Field Number: 90750

12. Ground Elevation: 4986

13. County: WELD

14. GPS Data:

Date of Measurement: 02/08/2012 PDOP Reading: 1.3 Instrument Operator's Name: Brian Brinkman

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
 1630 FNL 729 FWL 1650 FNL 535 FEL
 Sec: 8 Twp: 6N Rng: 62W Sec: 8 Twp: 6N Rng: 62W

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: 5280 ft

18. Distance to nearest property line: 272 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 660 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		320	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

Horizontal wellbore will produce from multiple leases. Please see attached Lease Description.

25. Distance to Nearest Mineral Lease Line: 535 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	100	6	100	0
SURF	13+3/4	9+5/8	36	0	720	360	720	0
1ST	8+3/4	7	26	0	7,137	499	7,137	0
1ST LINER	6+1/8	4+1/2	11.6	6950	11,153	0	0	0

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

33. Comments First string top of cement will be 200' above the Niobrara formation. The production liner will be hung off inside of the 7" casing. Well is part of a 5-well pad consisting of Wells Ranch AE08-66-1HN, Wells Ranch AE08-67-1HNR, Wells Ranch AE08-68-1HN, Wells Ranch AE08-69-1HN. Production facility to be located 1155' south, and dedicated to both Wells Ranch AE08-65-1HN pad (doc. no. 400257781) and Wells Ranch AE08-69-1HN pad, Loc ID 429030 (doc. no. 400257782). Unit Configuration: N/2. The original Wells Ranch AE08-67-1HN (API No. 05-123-35641) well was drilled to a TD of 842'. Surface casing was set at 832' and got hung up at 623'. Casing parted at 629', no fish in hole, no plugs. It was decided to move the SHL of the AE08-67-1HN 37' south, re-naming it Wells Ranch AE08-67-1HNR. The original wellbore will be P&A. Two sundry notices, one for shifting the proposed Wells Ranch AE08-66-1HN (API No. 05-123-35643) 37' south and one amending the location 2A, doc. no. 400257782, will also be submitted. The attachments to this Form 2 reflect those with changes only (Directional Data Template, Lse Description remains the same). Diana Burn at COGCC was notified of unplanned skid on 10/05/12 at 10:41a.m. by phone.

34. Location ID: 429030

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: SUSAN MILLER

Title: Regulatory Analyst III Date: 10/8/2012 Email: smiller@nobleenergyinc.com

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: 10/11/2012

API NUMBER

05 123 36154 00

Permit Number: _____ Expiration Date: 10/10/2014

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 48 hour notice of spud via electronic Form 42.
- 2) Set at least 720' of surface casing. Cement to surface.
- 3) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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
2233080	DEVIATED DRILLING PLAN
400334285	FORM 2 SUBMITTED
400334304	MULTI-WELL PLAN
400334305	WELL LOCATION PLAT
400334339	LEGAL/LEASE DESCRIPTION
400335651	DIRECTIONAL DATA

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Input updated operator comment. Final Review Completed.	10/11/2012 8:00:46 AM
Permit	Attached deviated drilling plan and directional template. Waiting on map refresh and operator submittal of form 4 and 6 NOI.	10/11/2012 6:06:44 AM
Permit	Unplanned rig skid due to lost hole. Form has passed completeness.	10/10/2012 2:35:07 PM
Permit	Return to draft: 1. Deviated drilling plan not attached.	10/9/2012 7:03:53 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
General Housekeeping	General 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 pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
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.
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) and 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.
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 Inc. will comply with the COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12.</p>

Total: 4 comment(s)