

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

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Document Number:

400323966

Date Received:

10/15/2012

PluggingBond SuretyID

20100227

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER Pilot Hole
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

3. Name of Operator: CONOCO PHILLIPS COMPANY

4. COGCC Operator Number: 19160

5. Address: P O BOX 2197

City: HOUSTON State: TX Zip: 77252-2197

6. Contact Name: Justin Carlile Phone: (432)688-9165 Fax: (432)688-6019

Email: justin.carlile@conocophillips.com

7. Well Name: Murphy Family 4-64 25 Well Number: 1H

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

9. Proposed Total Measured Depth: 7894

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 25 Twp: 4s Rng: 64W Meridian: 6

Latitude: 39.678628 Longitude: -104.508494

Footage at Surface: 660 feet FNL 244 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5824 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 07/13/2012 PDOP Reading: 1.4 Instrument Operator's Name: Robert Kay

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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 610 ft

18. Distance to nearest property line: 244 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 570 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.)
Niobrara	NBRR	535-155	640	ALL

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):

Tract 19: All of section 25, in township 4 South, Range 64 W, in Arapahoe County, Colorado, SAVE AND EXCEPT a tract of land containing 81.78 acres, more or less, out of the SE/4 of said Section 25, being that portion of the following tract located within the said Section 25 to wit: beginning at the Southeast corner of said Section 25, thence north along the east line of said Section 25 for a distance of 1500.00 feet, thence west 2375.00 feet, thence south 1500 feet to the south boundary line of Section 25, thence east 2375.00 feet to the point of beginning, containing 558.22 acres, more or less

25. Distance to Nearest Mineral Lease Line: 244 ft 26. Total Acres in Lease: 558

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
CONDUCTOR	20+0/0	16+0/0	0	0	80	50	80	0
SURF	12+1/4	9+5/8	36	0	2,030	650	2,030	0
OPEN HOLE				2030	7,895			

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

33. Comments The pilot hole of the well will not be produced

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 Carlile

Title: Regulatory Specialist Date: 10/15/2012 Email: justin.carlile@conocophillips.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: 11/20/2012

API NUMBER
05 005 07200 00

Permit Number: _____ Expiration Date: 11/19/2014

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.

Murphy #1 005-06302 is within 300' of the proposed horizontal well and requires re-entry of the well to provide adequate cement coverage prior to the hydraulic stimulation of Murphy Family 4-64 25 1H; changing the wellpath to increase the distance to greater than 300' from the Murphy #1 or eliminating any stimulation treatment within a 300' radius of the Murphy #1 well.

PILOT HOLE 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
 FOR LATERAL 2) Comply with Rule 317.i and provide cement coverage from TD 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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400323966	FORM 2 SUBMITTED
400336597	WELL LOCATION PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	11/14/2012 5:59:08 AM
Permit	The statement appears in the operator comments; "The pilot hole of the well will not be produced". Distance to the nearest well is the horizontal wellbore of the same SHL.	10/17/2012 6:04:56 AM
Permit	Operator amended and removed superfluous documents. This form passed completeness.	10/16/2012 9:52:03 AM
Permit	Return to draft: 1. Deviated drilling plan is missing diagram of pilot hole. Operator completed question nos. 19 and 36, and attached the well location plat for the pilot hole.	10/15/2012 3:38:53 PM
Permit	Return to draft: 1. Deviated drilling plan is missing diagram of pilot hole. 2. Well location plat does not match pilot hole; the plat attached is for the lateral portion. 3. Question no. 19 is incomplete. 4. Question no. 36 is incomplete.	10/15/2012 2:54:15 PM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Site Specific	<p>ConocoPhillips Groundwater Monitoring Program</p> <p>ConocoPhillips has adopted the Colorado Oil and Gas Association (COGA) voluntary groundwater testing program to establish baseline groundwater quality conditions around new oil well locations in their leased area. The sampling program will allow the company (ConocoPhillips) to evaluate the groundwater conditions before drilling a well and also to monitor water quality afterward.</p> <p>The program will be in accordance with the guidance set forth in the Voluntary Baseline Groundwater Quality Sampling Program last updated on November 15, 2011. Under the sampling protocol, water samples would be collected from the two closest groundwater sources with reasonable access. The sample points, permitted or registered wells, would be located within ½ mile of the proposed well surface location.</p> <p>Sampling will be conducted based on the landowner granting access to the well location and agreeing to have the laboratory analytical results submitted to COGCC for posting to a database viewable by the public.</p> <p>Samples will be analyzed for the constituents listed in Table 1 of the Groundwater Sampling and Analytical Program.</p>

Total: 1 comment(s)