

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:

400371120

Date Received:

02/28/2013

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 USX Well Number: AE07-69-1HN

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

9. Proposed Total Measured Depth: 11098

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 12 Twp: 6N Rng: 63W Meridian: 6

Latitude: 40.506080 Longitude: -104.375150

Footage at Surface: 847 feet FNL/FSL 66 feet FEL/FWL
FNL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4888 13. County: WELD

14. GPS Data:

Date of Measurement: 06/27/2012 PDOP Reading: 1.2 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
331 FNL 720 FWL 330 FNL 535 FEL
Sec: 7 Twp: 6N Rng: 62W Sec: 7 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: 5281 ft

18. Distance to nearest property line: 66 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 630 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 | | 320 | GWA |
| Niobrara | NBRR | | 320 | 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):

T6N-R63W Sec 7: All. Horizontal well crosses lease line within GWA horizontal wellbore unit; distance to lease line is 330 feet; distance to nearest unit boundary is 535 feet.

25. Distance to Nearest Mineral Lease Line: 330 ft

26. Total Acres in Lease: 638

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 | 550 | 270 | 550 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 26 | 0 | 7,091 | 480 | 7,091 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6041 | 11,098 | | | |

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 8-well pad consisting of the proposed Wells Ranch USX AE07-66-1HN (Doc #400371116), Wells Ranch USX AE07-67-1HN (Doc #400371117), Wells Ranch USX AE07-68-1HN (Doc #400371119), and Wells Ranch USX AE07-69-1HN (Doc #400371120), and the existing Wells Ranch AA12-66-1HN (API: 05-123-35632), Wells Ranch AA12-67-1HN (API: 05-123-35633), Wells Ranch AA12-68-1HN (API: 05-123-35630), and Wells Ranch AA12-69-1HN (API: 05-123-35631). The production facilities for the proposed pad will be located 1650' S of the pad site at the existing Wells Ranch AA12 EcoNode facility (Loc ID: 429012). Question 19 nearest well is Wells Ranch AE06-62-1HN (API: 05-123-35569). Distance to nearest building, public road, above ground utility, & railroad is greater than 1 mile. Noble Energy Inc. requests approval of Rule 318A.a Surface location outside window; 318A.c Twinning location exception; & 603a.2 Property line exception, request letter and signed waiver are attached. Unit Configuration = Sec 7: N/2N/2, Sec 6: S/2S/2.

34. Location ID: 429016

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: 2/28/2013

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: _____

Director of COGCC

Date: 4/25/2013

API NUMBER

05 123 37185 00

Permit Number: _____

Expiration Date: 4/24/2015

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 prior to spud via electronic Form 42.
- 2) Provide cement coverage of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400371120 | FORM 2 SUBMITTED |
| 400386116 | DIRECTIONAL DATA |
| 400386117 | 30 DAY NOTICE LETTER |
| 400386118 | DEVIATED DRILLING PLAN |
| 400386120 | OTHER |
| 400386121 | EXCEPTION LOC REQUEST |
| 400386122 | EXCEPTION LOC WAIVERS |
| 400386123 | WAIVERS |
| 400386124 | PROPOSED SPACING UNIT |
| 400387229 | PLAT |
| 400392011 | SURFACE AGRMT/SURETY |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Permit | Final review completed. No LGD or public comments. | 4/24/2013 7:28:18 AM |
| Engineer | No existing wells within 500' of proposed directional. Evaluated any existing wells within 500' of proposed directional. | 4/8/2013 12:35:26 PM |
| Permit | Signed memorandum attached. Passed completeness. | 3/19/2013 5:31:37 AM |
| Permit | RTD:Memorandum must be signed rather than combining parts of two different documents. | 3/13/2013 9:44:48 AM |
| Permit | Request that operator remove the individual documents (SUA and signature page) and resubmit as one Document. Returned to DRAFT. | 3/8/2013 7:14:46 AM |
| Permit | No signature on the SUA. | 3/4/2013 7:49:05 AM |
| Permit | RTD: Memorandum of Agreement does not have surface owner's signature. Requesting a Well Location Plat. Operator needs to chose 1 formation. | 3/1/2013 3:11:59 PM |

Total: 7 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)