

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:

400407684

Date Received:

07/23/2013

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: JAN KAJIWARA Phone: (303)228-4092 Fax: (303)228-4286

Email: jkajiwara@nobleenergyinc.com

7. Well Name: HEITMAN FEDERAL K Well Number: 32-68-1HNM

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

9. Proposed Total Measured Depth: 14748

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 32 Twp: 4N Rng: 66W Meridian: 6

Latitude: 40.274670 Longitude: -104.800550

Footage at Surface: 250 feet FNL/FSL 2410 feet FEL/FWL
 FNL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4773 13. County: WELD

14. GPS Data:

Date of Measurement: 01/21/2013 PDOP Reading: 1.7 Instrument Operator's Name: ROBERT DALEY

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
 991 FNL 1366 FEL 990 FNL 535 FWL
 Sec: 32 Twp: 4N Rng: 66W Sec: 34 Twp: 4N Rng: 66W

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: 230 ft

18. Distance to nearest property line: 242 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 174 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 | | 560 | 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):

T4N-R66W Sec. 32; NE/4 AND OTHER LANDS AND OTHER LEASES. Horizontal well crosses lease line within GWA horizontal wellbore unit; distance to lease line is 0 feet; distance to nearest unit boundary is 790 feet.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 300

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 | 700 | 330 | 700 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 7550 | 510 | 7550 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 7400 | 14748 | | | |

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

33. Comments 1ST STRING TOP OF CEMENT=200' ABOVE THE NIOBRARA. THE NEAREST WELL PERMITTED OR COMPLETED IN THE SAME FORMATION IS THE UPRC 33-4F, LOCATED APPROX. 174' OF THE WELL BEING PERMITTED. GAS PIPELINE ALONG WEST AND NW EDGES OF PAD. PAD WIL NOT BE BUILT OVER GAS LINE. IRRIGATION PIPELINE LOCATED IN FIELD NORTH AND EAST OF PAD. EXCEPTION LOCATION TO RULE 318A.a and 318A.c REQUESTED AND 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: JAN KAJIWARA

Title: REGULATORY ANALYST

Date: 7/23/2013

Email: jkajiwara@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: _____

Director of COGCC

Date: 9/23/2013

API NUMBER

05 123 38119 00

Permit Number: _____

Expiration Date: 9/22/2015

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.

| COA Type | Description |
|-----------------|---|
| | Operator must meet water well testing requirements per Rule 318A. |
| | Operator acknowledges the proximity of the Deroo Wilfred #1 API #123-07623, Frank #21-32 API #123-14320, Sweet Valley Farms UPRR 31-33 #2 API #123-14804, Sweet Valley Farms-UPRR 41-33 API #123-13001 wells; Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. |
| | 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU. 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara and from 200' below and 200' above Parkman. 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 |
|--------------------|------------------------|
| 2167170 | VARIANCE REQUEST |
| 2167329 | PROPOSED SPACING UNIT |
| 400407684 | FORM 2 SUBMITTED |
| 400407942 | 30 DAY NOTICE LETTER |
| 400407943 | WELL LOCATION PLAT |
| 400407959 | EXCEPTION LOC WAIVERS |
| 400452966 | EXCEPTION LOC REQUEST |
| 400452977 | SURFACE AGRMT/SURETY |
| 400452987 | DIRECTIONAL DATA |
| 400452991 | DEVIATED DRILLING PLAN |
| 400452995 | OFFSET WELL EVALUATION |

Total Attach: 11 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|---|-------------------------|
| Permit | Attached corrected Proposed Spacing unit that describes unit configuration as NE/4 Sec 32, N/2 Sec 33, and W2/NW/4 Sec 34. Corrected distance to nearest lease line from 535 to 790 as per opr. Final review complete. | 9/20/2013 8:10:43 AM |
| Permit | Attached 318Am Variance request as per opr. | 3/7/2013 1:48:19 PM |
| Permit | Missing 318A.m letter. Opr notified. Requested from opr. | 7/25/2013 7:18:36 AM |
| Permit | This form has passed completeness. | 7/24/2013 9:01:09 AM |

Total: 4 comment(s)

Best Management Practices

| No | BMP/COA Type | Description |
|----|--|--|
| 1 | 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. |
| 2 | 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. |
| 3 | 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. |
| 4 | Drilling/Completion Operations | <p>Anti-Collision Mitigation BMP</p> <p>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 May 29, 2012.</p> |

Total: 4 comment(s)