

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



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07/16/2013

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: MARI CLARK Phone: (303)228-4413 Fax: (303)228-4286

Email: mclark@nobleenergyinc.com

7. Well Name: Reliance E Well Number: 23-63-1HNA

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

9. Proposed Total Measured Depth: 11061

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 23 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.467490 Longitude: -104.621750

Footage at Surface: 1194 feet FNL/FSL 256 feet FEL/FWL
FSL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4694 13. County: WELD

14. GPS Data:

Date of Measurement: 01/03/2013 PDOP Reading: 2.7 Instrument Operator's Name: David Holmes

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
992 FSL 828 FEL 990 FSL 535 FWL
Sec: 23 Twp: 6N Rng: 65W Sec: 23 Twp: 6N Rng: 65W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 231 ft

18. Distance to nearest property line: 256 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 295 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		322	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):

T6N-R65W SEC. 23: SE/4, SEC. 24: W/2SW/4 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 535 feet.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 240

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	18+1/2	16+0/0		0	100	6	100	
SURF	13+3/4	9+5/8	36	0	725	350	725	0
1ST	8+3/4	7+0/0	26	0	7124	480	7124	
1ST LINER	6+1/8	4+1/2	11.6	6974	11061			

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

33. Comments 1ST STRING TOP OF CEMENT = 200' ABOVE NIOBRARA. THE PRODUCTION LINER WILL BE HUNG OFF INSIDE 7" CASING. 5 WELL PAD: RELIANCE E23-63-1HNA, E23-62-1HN, E63-1HNC, E23-63HC, & EXISTING FEIT E23-97HZ. UNIT CONFIGURATION = S/2 SEC. 23. CLOSEST WELL MEASURED = FEIT E23-97HZ. Wellhead is to be located outside of a GWA drilling window. Operator requests an exception location to 318Aa. PLEASE SEE ATTACHED SUA FOR EXCEPTION LOCATION WAIVER INFORMATION. EXCEPTION LOCATION TO RULE 318A.e REQUESTED AND ATTACHED. STRAW BALES FOR NOISE MITIGATION.

34. Location ID: 420494

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: MARI CLARK

Title: REGULATORY ANALYST III

Date: 7/16/2013

Email: mclark@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: 10/4/2013

API NUMBER

05 123 38221 00

Permit Number: _____ Expiration Date: 10/3/2015

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.

Description

Operator acknowledges the proximity of the following wells: Anderson E 24-12 API # 123-16841, Bickling E 22-6 API # 123-18788, Dinner E23-2 API # 123-17767, Dinner E 23-7 API # 123-17768, FEIT 2-24 EG API # 123-12084, Feit E-23-09 API # 123-16806, Feit E 23-10 API # 123-16807, FEIT E 23-16 API # 123-16796, FEIT E 23-5 API # 123-17728, FEIT E 23-6 API # 123-17729, Herman E24-5 API # 123-13431, Howard 14-26EG API # 123-12997, Ryan 1-26EG API # 123-07431, Sitzman 1-23EG API # 123-11286, Sitzman E23-11 API # 123-17853, Sitzman E23-12 API # 123-17854, Fran E 25-4 API # 123-16792, Howard E26-1 API # 123-16256. 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 to 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.

Operator must meet water well testing requirements per Rule 318A.

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

<u>Att Doc Num</u>	<u>Name</u>
1534782	OFFSET WELL EVALUATION
400414018	FORM 2 SUBMITTED
400423086	DIRECTIONAL DATA
400448184	30 DAY NOTICE LETTER
400448185	SURFACE AGRMT/SURETY
400448190	PLAT
400448191	DEVIATED DRILLING PLAN
400448222	PROPOSED SPACING UNIT
400449018	EXCEPTION LOC REQUEST

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Ready to pass pending public comment.	7/22/2013 11:41:21 AM
Permit	Passed completeness	7/17/2013 11:28:47 AM
Permit	SUA covers the waiver. REturned to draft: For exception location request letter and offset well spreadsheet or comment.	7/17/2013 8:25:02 AM
Permit	Returned to draft: Missing exception location request and waiver letters.	7/17/2013 6:54:46 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)