

FORM  
2  
Rev  
08/13

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:  
400766806

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL    OIL     GAS     COALBED     OTHER UNPLANNED  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refiling   
Sidetrack

Date Received:  
01/08/2015

Well Name: KERR      Well Number: 28N-12HZX  
Name of Operator: KERR MCGEE OIL & GAS ONSHORE LP      COGCC Operator Number: 47120  
Address: P O BOX 173779  
City: DENVER      State: CO      Zip: 80217-3779  
Contact Name: Cheryl Light      Phone: (720)929-6461      Fax: (720)929-7461  
Email: cheryl.light@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010124

WELL LOCATION INFORMATION

QtrQtr: SESW      Sec: 13      Twp: 2N      Rng: 67W      Meridian: 6  
Latitude: 40.132329      Longitude: -104.841350

Footage at Surface: 576 feet      FNL/FSL      FSL      2026 feet      FEL/FWL      FWL

Field Name: WATTENBERG      Field Number: 90750

Ground Elevation: 4884      County: WELD

GPS Data:

Date of Measurement: 04/30/2013      PDOP Reading: 1.3      Instrument Operator's Name: DAVID MACDONALD

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  
1266      FSL      2475      FWL      460      FNL      2479      FWL  
Sec: 13      Twp: 2N      Rng: 67W      Sec: 12      Twp: 2N      Rng: 67W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership:  Fee       State       Federal       Indian

The Surface Owner is:       is the mineral owner beneath the location.  
(check all that apply)       is committed to an Oil and Gas Lease.  
    has signed the Oil and Gas Lease.  
    is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:  Fee       State       Federal       Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: \_\_\_\_\_ Surface Surety ID: \_\_\_\_\_

## LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

Lease #: CO-000011072  
Lands: Township 2 North, Range 67 West, 6th P.M.  
Section 24: NW/4 & the North 4.66 acres of Lot 11 in the NE/4  
Section 13: Beg. @ a pt. where Great Western r/w intersects South  
line of Sec. 13, th N19°48'W 487.34' to pt on Easterly extended  
South line, th S520' to S line of Sec. th E to beg.  
Containing 173.66 acres, m/l

Total Acres in Described Lease: 174 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 583 Feet  
Building Unit: 643 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 746 Feet  
Above Ground Utility: 1126 Feet  
Railroad: 5280 Feet  
Property Line: 282 Feet

### INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

## DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: 10/28/2013

## SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 221 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

T2N-R67W-12: E2W2, W2E2  
T2N-R67W-13: W2E2, E2W2

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR		640	GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 16410 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 151 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? Yes

BOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  None

### GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

### DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Please see Comments section. Disposal description will not fit in space provided.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	13+1/2	9+5/8	36	0	1000	380	1000	0
1ST	8+3/4	7	26	0	7574	800	7574	0
1ST LINER	6+1/8	4+1/2	11.6	6475	16410			

Conductor Casing is NOT planned

### DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

### GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

### RULE 502.b VARIANCE REQUEST

- Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number \_\_\_\_\_

## OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

## OPERATOR COMMENTS AND SUBMITTAL

Comments

UNPLANNED SIDETRACK  
VERBAL RECEIVED FROM DIANA BURN 01/07/15

While drilling 6.125" lateral section at 12,807' MD we had a spike in gamma ray indicating potential Sharon Springs exposure. This high GR reading continued until 13,202' MD for a total Sharon Springs exposure of 395'. We continued drilling to a total open hole depth of 14,112' (7204' TVD) until torque became unmanageable. After attempts to ream back through the Sharon Springs and clean up the hole, the well started packing off and we were at our maximum torque limits. The Sharon Springs was falling apart.

- a. Total measured depth reached (also have TVD) 14,112' (7227' TVD)
- b. Casing sizes set and measured depth - 7" set at 7638' MD
- c. Description of fish-including top and bottom - No fish
- d. Type of cement you will be using including weight, yield, and sacks. If an openhole sidetrack make that point clear - No cement
- e. Measured depth and TVD of sidetrack point - 11,039' MD (7227' TVD)
- f. Proposed target formation of sidetrack hole if different than permitted - Same as permitted
- g. BHL of sidetrack hole. Note if this is a change from permit  
- BHL changed 460' FNL, 2430' FWL SEC 12 to 460' FNL, 2479' FWL SEC 12
- h. A wellbore including where cement will be, fish is, and sidetrack is attached

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 336189

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: CHERYL LIGHT

Title: SR. REGULATORY ANALYST Date: 1/8/2015 Email: DJREGULATORY@ANADARK

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: 1/9/2015

Expiration Date: 01/08/2017

API NUMBER

05 123 38982 01

## Conditions Of Approval

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

<u>COA Type</u>	<u>Description</u>

## Best Management Practices

### No BMP/COA Type

### Description

<u>No BMP/COA Type</u>	<u>Description</u>

## 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

<u>Att Doc Num</u>	<u>Name</u>
400766806	FORM 2 SUBMITTED
400766896	WELLBORE DIAGRAM
400766897	CORRESPONDENCE
400766898	WELL LOCATION PLAT
400766901	DIRECTIONAL DATA
400767211	DEVIATED DRILLING PLAN

Total Attach: 6 Files

## General Comments

### User Group

### Comment

### Comment Date

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
#Error	Final review complete.	1/9/2015 7:34:34 AM
#Error	Offset wells evaluated.	1/8/2015 5:29:22 PM
#Error	Request for Exception to Open Hole Logging Rule 317.p letter attached, DocNum 12338982	1/8/2015 2:57:07 PM
#Error	Passed completeness.	1/8/2015 2:33:49 PM

Total: 4 comment(s)