

Phone Log

Date	Time	Name	Representing	Number	Notes	COGCC
6/28	09:00	Marshall Diggs -landman	Mann's	called	Called on behalf of Mann's. Landman is perturbed that she cannot keep her piece of the land. Diggs' commitment is to know if I think \$2,000 is too modest compensation. Per Diggs, Mann's have regulatory interest, assumes they will have to share. He has spoken to Don Bell - Don Frantz. He has suggested to Mann's that 1.) Cannot keep Km out 2. Wait until after drilling completed to settle on compensation. 3.) Km reasonably good operator. Q: What are surface areas within in the area?	SL
7/12	08:40	MANN	LANDMAN	(305) 536-9626 -30 (720) 562-4647	left message, call about numbers	SL
7/13	15:48	MANN	"	called	Try and drill. Just said go ahead drill.	SL
7/13		JAN FRANZ			BEHIND VALID S.U. AGREEMENT IN PLACE, CANNOT HOLD UP PERMIT APPROVAL	SL
7/13	16:15	MANN			INTENDED THAT PERMIT WAS APPROVAL AS S.U. AGREEMENT UPON	SL

PHONE LOG

DATE	TIME	NAME	COMPANY	PHONE NUMBER	COMMENTS
6/3/05	1145		SURF OWNER	(333) 536-9626 (720) 502-4697	included in pkg. → letter + 306 numbers only revised diagram of location last week
6/3	1600 <del>19:30</del>	Jim Mason <del>Loretta</del>	Kerr McGue <del>Jim</del>	(720) 264 2633	we consider 6/5 meeting 306 consulted with. See notes page left message
6/6	1330	Loretta	SURF OWNER		
6/6	1520	CHRIS MANN	"		
6/6		Don French	Kerr McGue		called to say moving <del>later</del> well in advance to Mann wishes
6/7	1345	DON FRENCH	"		message: 306 recontact? Kerr McGue intent to pay royalties,
6/7	1350	LORETTA MANN	SURF OWNER		
6/7	2 PM	DON FRENCH		left missing	Mann shaken, 10' off prop. line. Now repairs need to be completed. 2k% paid by Mann, Su Agreement is registered somewhere → not K.M. Faced copy of Su.
6/16	9:15	Loretta Mann			306 402-2094 - present Their contract is
6/23	1230	"	SURF OWNER	720 562 <del>4697</del> 306	left message to recontact call
4/28	0820	MANN	"	(333) 536 9626 (720) 502-4697	left messages to call on both #s

303L

Don, this is just a notice to let you know that we have a new hand on board and he is going to be handling all onsite inspection requests from here on out. His name is Steve Lindblom and his phone number is 303-894-2100 ext. 114. e-mail [steven.lindblom@state.co.us](mailto:steven.lindblom@state.co.us). We also have a new Onsite Inspection Request from Christopher and Loretta Mann at section 11-T2N-R65W. for your Mann 14-11 well. Do we have a permit APD yet? Please contact Steve and you can make further arrangements.

Km main

333 296 3600

(720) 264 2633

JIM WASON

114,111

Don French

Don: when do you think

Letter ~~for~~ 306 MEETING 7:00 PLACE

↳ potential issues, SUIA,

306 meeting

could suspend under 306  
rather hold it until  
issues resolved

~~306~~

306  
~~306~~  
~~4545~~

13.44 6/3/05 DUN FRENCH — LEFT MESSAGE  
(303) 246-3600

## POINTS

- WE RECEIVED ON SITE INSPECTION REQUEST FORM (OIR FORM) TODAY (JUNE 3)
- LOOKED UP APD, FOUND IT WAS APPROVED, WITH A 306 CONSULTATION DATE OF 4/13/05
- CONTACTED SURFACE OWNER, WHO ASSUMED THE MEETING SCHEDULED FOR SUNDAY JUNE 5 IS THE "GOOD FAITH" CONSULTATION DATE.
- PURPOSE OF CALL → WHAT IS YOUR SIDE OF ISSUE? IS THE 4/13 DATE ON THE APD JUST AN OVERSIGHT, I.E., AN ARTIFACT OF EARLIER APD? OR DO YOU FEEL A 306 CONSULTATION WAS CONDUCTED (OR FEEL "BEST EFFORTS" UTILIZED)
- DID SURFACE OWNERS SEND YOU BACK THE POSTCARD THAT WAS INCLUDED IN THE SECTION 305 NOTICE REQUIREMENT PACKAGE?

ALSO - (MAYBE NOT NECESSARY TO BRING UP) SURFACE OWNER ENTITLED TO 306 CONSULTATION AS THEY ARE NOT PARTY TO SURFACE USE AGREEMENT.

PHONE LOG - ESTIMATED

JIM WASON

Consultation - sent out ~~to~~ lots of info already  
200 ft end of house. want to move well  
Need geologist to approve location, not a rail. till

Monday

understands lack of f-f meeting is km oversight

DON FRENCH - <sup>he</sup> left a message Monday a.m.  
(720) 264-2628

6/6  
15:20  
CHRIS MANN . MET DAVE BEL

- CAN MOVE TO PROP. LINE IF GET BALDWIN PERMISSION
- CONCERN ✓ ~~FEEL~~ EFFECT OF IF WELL ON PROP. VALUE,  
WANT TO SUBDIVIDE, RHT WILL BE IN A MIDDLE  
IF SUBDIVIDED ~~AND~~ SECTION
- ASKED ABOUT K-M WILL MOVE <sup>PERMANENT</sup> RID TO FENCELINE.
- DISCUSSED SURF. USE AGREEMENT

- WILL WAIT TO SEE RESULTS OF BALDWIN AGREEMENT.

- I WILL CHECK ON SURF. USE AGREEMENT

6/7 MESSAGE FROM LORETTA

SHE WILL SUBMIT NEW OIR FORM LATER THIS WEEK

Colorado Oil and Gas Conservation Commission  
Attn Permit Supervisor, Steve Lindblum and Linda Favelka  
1120 Lincoln Street Suite 801  
Denver CO 80203

Attn:  
Onsite Inspection Request

As the surface owners where a proposed well is being drilled, we are requesting that the COGCC conduct an onsite inspection. We did not execute a lease nor did we execute a surface use or other relevant agreement for the proposed well. We understand that good faith consultation with the operator as required under COGCC Rule 306 is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306 consultation.

Surface Owner Contact Information:

Christopher E Mann and Loretta C. Mann  
Address: 22275 WCR 22, Hudson, CO 80642  
Home: 303-536-9626 or Work: 720-562-4697  
Cell: 303-956-4388

Well Operator and Location Information:

Operator: Kerr McGee  
Mann 14-11  
SE/4SW/4 11 02N 65W  
Weld  
Rule 306 Consultation Occurred 06/05/05

We would like to have a COGCC onsite consultation representative to attend an onsite inspection

During the onsite good faith consultation we discussed with Kerr McGee moving the well site north on the other side of the existing gas line. They were to contact the Baldwin's to sign a waiver because it would be within 150 feet of the property line. We discussed the placement of the road to be used. It will be on the far east of the property and then west to the well, Kerr McGee said they would put in a culvert, gate and an 8" base of gravel from road 22 to the well. We also discussed the noise level outside of our Living Room and Master Bedroom, they suggested putting in a berm of dirt, we asked that they plant a hedge of trees to cut down on the noise, this is unresolved. They also said that they would level and reseed the area of damage (approximately 3 acres). We discussed the flow line to be straight west along the fence line, and Kerr McGee will replace the fence.

We do not have any of this in writing and feel that some of the issues are still unresolved.

*Loretta Mann* 6/13/05

**Colorado Oil and Gas Conservation Commission (COGCC)**  
**Onsite Inspection Request Form**  
(Effective for APDs submitted after February 15, 2005)

As the surface owner(s) where a proposed well is being drilled, I/we are requesting that the COGCC conduct an onsite inspection. I/we did not execute a lease nor did I/we execute a surface use or other relevant agreement for the proposed well. I/we understand that good faith consultation with the operator as required under COGCC Rule 306, is required to have occurred prior to making this request to the COGCC to conduct an onsite inspection, and that this onsite inspection request must be received by the COGCC within ten (10) business days of the first day of the Rule 306. consultation.

**Surface Owner Contact Information:**

Name: CHRISTOPHER E MANN, Loretta C. Mann  
Address: 22275 WCB 22, HUDSON, CO 80642  
Telephone No.: 303 536 9126 / 720 562 4697  
Cell Phone No.: 303 956 4388

**Well Operator and Location Information:**

Operator: Kerr McGee  
Well Name: MANN 14-11  
Location: SE/4SW/4 11 OZN 65W  
Quarter/Quarter Section Township Range  
County: Weld  
First date Rule 306. consultation occurred: 6/5/05 (PENDING)  
Date

Proposed two (2) dates for the COGCC onsite consultation (must be within thirty (30) days of the request)  
1st date 6/5/05 2nd date 6/11/05

I would prefer to have a representative of the appropriate Local Government (COGCC Local Governmental Designee) invited to attend the onsite inspection?  yes  no

Briefly describe the unresolved issues related to the proposed well (The onsite inspection shall not address matters of surface owner compensation, property value diminution, future use of the property or any private party contractual issues between the operator and the surface owner.)  
where the well is located / TOO CLOSE TO HOUSE

Signature(s) Loretta C Mann Date 6/3/05

Please fax or first class mail this request for an onsite inspection to:

Colorado Oil and Gas Conservation Commission  
Attn: Permit Supervisor  
1120 Lincoln Street Suite 801  
Denver, CO 80203  
FAX (303) 894-2109

LAT = 40.157297  
LONG. -104.633625

Open # 47120

Rec'd 4-13-05

Has not been on surface location w/ surface  
owner is different  
1973

# COGIS - WELL Information

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## Surface Location Data for API # 05-123-22997

Status: XX

Well Name/No: [MANN #14-11](#) (click well name for production)  
 Operator: KERR-MCGEE ROCKY MOUNTAIN CORPORATION - 47120  
 Status Date: 5/25/2005 2:51:21 PM Federal or State Lease #:  
 County: WELD #123 Location: SESW 11 2N 65W  
 Field: WATTENBERG - #90750 Footages: 463 FSL 2180 FWL  
 DRLG Contr #: Elevation: 4,860 ft.  
 Lat: 40.147046 Long: -104.632003

## Wellbore Data for Sidetrack #00

Status: XX 4/26/2005

Spud Date: N/A Spud Date is: PLANNED

## Wellbore Permit

Permit #: 20051522 Expiration Date: 5/24/2006  
 Prop Depth/Form: 7704 Surface Mineral Owner Same: N  
 Mineral Owner: FEE Surface Owner: FEE  
 Unit: Unit Number:  
 Formation and Spacing: Code: JSND , Formation: J SAND , Order: 232 , Unit Acreage: 320, Drill Unit: S2  
 Formation and Spacing: Code: NB-CD , Formation: NIOBRARA-CODELL , Order: 407 , Unit Acreage: 80, Drill L  
 Casing: String Type: SURF , Hole Size: 12.25, Size: 8.625, Top: , Depth: 800, Weight: 24  
 Cement: Sacks: 560, Top: 0, Bottom: 800, Method Grade:  
 Casing: String Type: 1ST , Hole Size: 7.875, Size: 4.5, Top: , Depth: 7704, Weight: 11.6  
 Cement: Sacks: 200, Top: , Bottom: 7704, Method Grade:

## Wellbore Completed

Compltn Date: N/A  
 Measured TD: Measured PB depth:  
 True Vertical TD: True Vertical PB depth:

**Formation**

**Log Top**

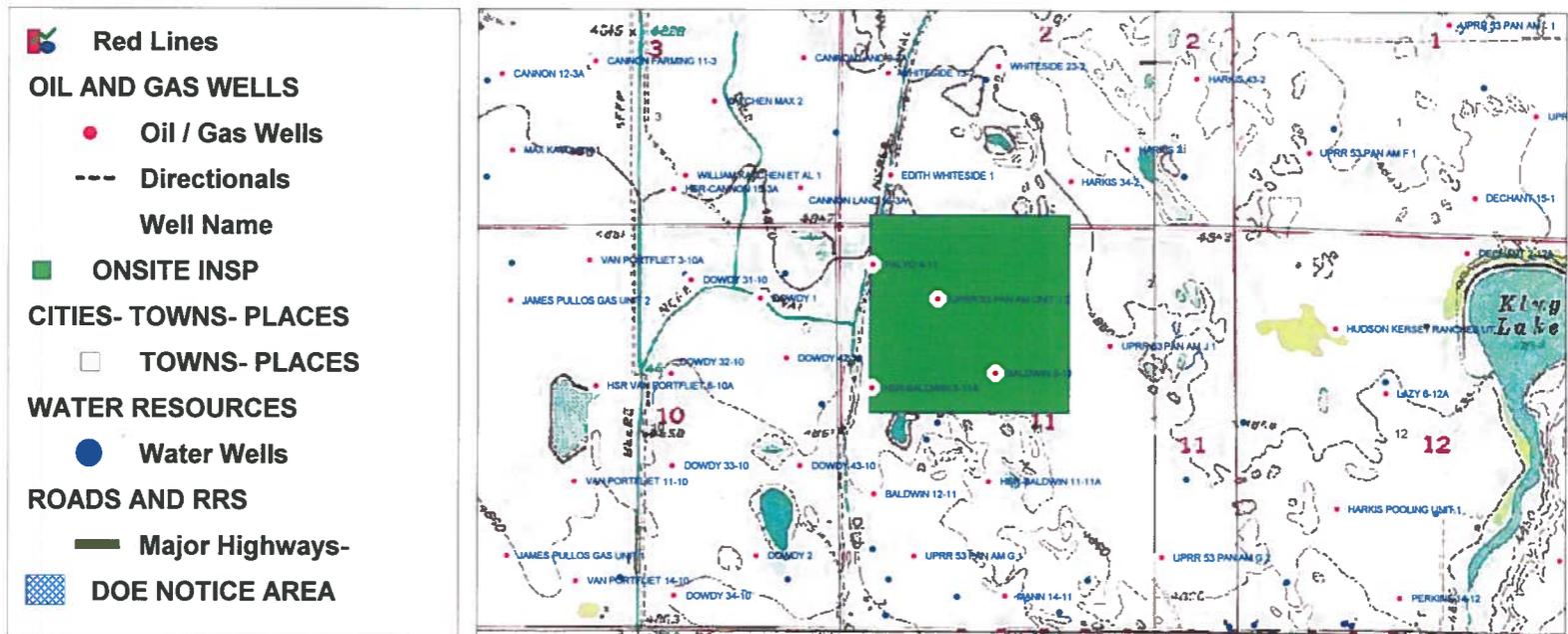
**Log Bottom**

**Cored**

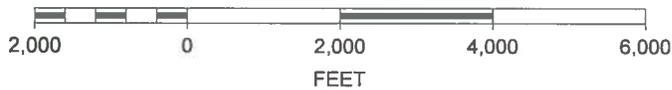
No additional interval records were found for sidetrack 00.

# COGCC GIS Online

MANN 14-11



SCALE 1 : 30,148



Initial Test Data:

Test Date: 3/23/1995 Test Method: FLOWING  
 Gas Dispo:

Test Type	Measure
BBLS_H2O	3
BBLS_OIL	1
CALC_GOR	1428
CASING_PRESS	1294
MCF_GAS	10
TUBING_PRESS	1107

Perferation Data:

Interval Bot: 7128 Interval Top: 7114  
 # of Holes: 56 Hole Size: 0.38

Completed information for formation J-CDL

1st Prod Date: 4/17/1995 Choke Size:  
 Status Date: 2/12/1998 Hole Compl:  
 Commingled: Y Prod Metod: FLOWING  
 Formation Name: J-CODELL Status:  
 Formation Treatment:  
 Tubing Size: 2.375 Tubing Setting Depth: 7566  
 Tubing Packer Depth:  
 Open Hole Top: Tubing Multiple Packer:  
 Open Hole Bottom:

Initial Test Data:

Test Date: 3/12/1997 Test Method: FLOWING  
 Gas Dispo: SOLD

Test Type	Measure
BBLS_H2O	3
BBLS_OIL	3
CALC_GOR	13333.33
MCF_GAS	40

Perferation Data:

Interval Bot: 7610 Interval Top: 7126  
 # of Holes: 264 Hole Size:

Completed information for formation JSND

1st Prod Date: 5/29/1980 Choke Size: 0.656  
 Status Date: 2/12/1998 Hole Compl:  
 Commingled: Y Prod Metod: FLOWING  
 Formation Name: J SAND Status: PR  
 Formation Treatment: SPEARHEAD 500 GAL 7.5% MCA ACID FRAC X 17598 GAL OIL X 170772 GAL WAT  
 132,000# 20/40 SN FLUSH X 5460 GAL WATER.  
 Tubing Size: 2.375 Tubing Setting Depth: 7600  
 Tubing Packer Depth:  
 Open Hole Top: Tubing Multiple Packer:  
 Open Hole Bottom:

Initial Test Data:

Test Date: 6/9/1980 Test Method: FLOWING  
 Gas Dispo:

Test Type	Measure
BBLS_H2O	46
BBLS_OIL	5
CALC_GOR	187000

GRAVITY\_OIL 49.6  
MCF\_GAS 935

Perferation Data:

Interval Bot: 7610

Interval Top: 7558

# of Holes:

Hole Size:

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## Surface Location Data for API # 05-123-09865

Status: PR

Well Name/No: [GORDON P. WEICHEL UNIT B #2](#) (click well name for production)  
 Operator: KERR-MCGEE ROCKY MOUNTAIN CORPORATION - 47120  
 Status Date: 2/12/1998 Federal or State Lease #:  
 County: WELD #123 Location: SENW 14 2N  
 Field: WATTENBERG - #90750 Footages: 1400 FNL 16  
 DRLG Contr #: EXETER DRILLING CO Elevation: 4,872 ft.  
 Lat: 40.141939 Long: -104.633929

## Wellbore Data for Sidetrack #00

Status: PR 2/12/1998

Spud Date: 12/26/1979 Spud Date is: ACTUAL

## Wellbore Permit

Permit #: 19791455 Expiration Date: 4/20/1980  
 Prop Depth/Form: 7750 Surface Mineral Owner Same:  
 Mineral Owner: FEE Surface Owner:  
 Unit: Unit Number:  
 Formation and Spacing: Code: JSND , Formation: J SAND , Order: 0 , Unit Acreage: 320, Drill Unit: E2

## Wellbore Completed

Compltn Date: 6/6/1980  
 Measured TD: 7756 Measured PB depth: 7711  
 True Vertical TD: True Vertical PB depth:  
 Log Types: SP-IES, FDC-GR CALIPER  
 Casing: String Type: SURF , Hole Size: 12.25, Size: 8.625, Top: 0, Depth: 617, Weight: 24  
 Cement: Sacks: 400, Top: 0, Bottom: , Method Grade:  
 Casing: String Type: 1ST , Hole Size: 7.875, Size: 4.5, Top: 0, Depth: 7756, Weight: 10.5,11.6  
 Cement: Sacks: 225, Top: 0, Bottom: , Method Grade:

Formation	Log Top	Log Bottom	Co
SUSSEX	4335		
SHANNON SANDSTONE	4510		
NIOBRARA	6820		
CODELL	7135		
BENTONITE	7417		
J SAND	7582		

## Completed information for formation JSND

1st Prod Date: 5/13/1980 Choke Size: 0.656  
 Status Date: 2/12/1998 Hole Compl:  
 Commingled: N Prod Metod: FLOWING  
 Formation Name: J SAND Status: PR  
 Formation Treatment: SPEARHEAD 500 GAL 7.5% SHA ACID POLARIS FRAC X 19656 GAL OIL X 173838  
 832000# 20/40 SN FLUSH X 5460 GAL WATER.  
 Tubing Size: 2.375 Tubing Setting Depth: 7598  
 Tubing Packer Depth:  
 Open Hole Top: Tubing Multiple Packer:  
 Initial Test Data: Open Hole Bottom:

Test Date: 6/6/1980

Test Method:

FLOWING

Gas Dispo:

Test Type	Measure
BBLS_H2O	5
BBLS_OIL	5
CALC_BBLS_H2O	20
CALC_BBLS_OIL	20
CALC_GOR	37000
CALC_MCF_GAS	740
GRAVITY_OIL	49.2
MCF_GAS	185
TUBING_PRESS	715

Perferation Data:

Interval Bot: 7634

Interval Top:

7586

# of Holes:

Hole Size:

0.38

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## Surface Location Data for API # 05-123-07828

Status: PR

Well Name/No: [UPRR 53 PAN AM G #1](#) (click well name for production)  
 Operator: KERR-MCGEE ROCKY MOUNTAIN CORPORATION - 47120  
 Status Date: 2/12/1998 Federal or State Lease #:  
 County: WELD #123 Location: SWSW 11 2N 65W 6  
 Field: WATTENBERG - #90750 Footages: 990 FSL 990 FWL  
 DRLG Contr #: Elevation: 4,865 ft.  
 Lat: 40.148514 Long: -104.636282

## Wellbore Data for Sidetrack #00

Status: PR 2/12/1998

Spud Date: 8/23/1973 Spud Date is: ACTUAL

## Wellbore Permit

Permit #: 19730653 Expiration Date: 12/21/1973  
 Prop Depth/Form: 7745 Surface Mineral Owner Same:  
 Mineral Owner: FEE Surface Owner:  
 Unit: Unit Number:  
 Formation and Spacing: Code: CODL , Formation: CODELL , Order: 407-66 , Unit Acreage: 160, Drill Unit: SW4  
 Formation and Spacing: Code: JSND , Formation: J SAND , Order: 0 , Unit Acreage: 320, Drill Unit: S2

## Wellbore Completed

Compltn Date: 11/20/1973  
 Measured TD: 7765 Measured PB depth: 7704  
 True Vertical TD: True Vertical PB depth:  
 Log Types: SP-IES, FDC-GR-CALIPER, CBL  
 Casing: String Type: SURF , Hole Size: 12.25, Size: 8.625, Top: 0, Depth: 215, Weight: 24  
 Cement: Sacks: 250, Top: 0, Bottom: , Method Grade:  
 Casing: String Type: 1ST , Hole Size: 7.875, Size: 4.5, Top: 0, Depth: 7765, Weight: 10.5  
 Cement: Sacks: 200, Top: 0, Bottom: , Method Grade:

Formation	Log Top	Log Bottom	Cored
FOX HILLS	523		
SUSSEX	4205		
SHANNON SANDSTONE	4952		
NIOBRARA	6860		
CODELL	7126		
MUDDY J	7576		

## Completed information for formation CODL

1st Prod Date: 11/29/1995 Choke Size:  
 Status Date: 2/12/1998 Hole Compl:  
 Commingled: Y Prod Metod: FLOWING  
 Formation Name: CODELL Status: PR  
 Formation Treatment: DIVERTA FRAC: PUMPED 71 BBLS OF GEL AND 213 BBLS OF GEL W/4,500 LBS O FLUSH 102 BBLS OF GEL. CODELL FRAC: PUMPED 357 BBLS OF GEL AND 899 B GEL WITH 250,000 LBS OF 20-40. FLUSH W/31 BBLS 2% KCL. MAX PSI: 6,600, MA 16.0 BPM.  
 Tubing Size: 2.375 Tubing Setting Depth: 7129  
 Tubing Packer Depth: Tubing Multiple Packer:

Open Hole Top:  
Initial Test Data:

Open Hole Bottom:

Test Date: 11/29/1995

Test Method: FLOWING

Gas Dispo:

Test Type	Measure
BBLS_H2O	10
BBLS_OIL	31
CALC_GOR	1967.74
CASING_PRESS	1539
MCF_GAS	61
TUBING_PRESS	1059

Perferation Data:

Interval Bot:	7140	Interval Top:	7126
# of Holes:	56	Hole Size:	0.38

**Completed information for formation J-CDL**

1st Prod Date:	N/A	Choke Size:	
Status Date:	2/12/1998	Hole Compl:	
Commingled:	Y	Prod Metod:	
Formation Name:	J-CODELL	Status:	CM

Formation Treatment:

Tubing Size:		Tubing Setting Depth:	
Tubing Packer Depth:		Tubing Multiple Packer:	
Open Hole Top:		Open Hole Bottom:	

**No Initial Test Data was found for formation J-CDL .**

**No Perforation Data was found for formation J-CDL .**

**Completed information for formation JSND**

1st Prod Date:	11/7/1973	Choke Size:	0.750
Status Date:	2/12/1998	Hole Compl:	
Commingled:	Y	Prod Metod:	FLOWING
Formation Name:	J SAND	Status:	PR

Formation Treatment: 192,570 GALS 151,200# 100 MESH SAND 100,800# 20/40 SAND 16,200# 10/20 SAN

Tubing Size:		Tubing Setting Depth:	
Tubing Packer Depth:		Tubing Multiple Packer:	
Open Hole Top:		Open Hole Bottom:	

Initial Test Data:

Test Date:	11/20/1973	Test Method:	FLOWING
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Gas Dispo:

Test Type	Measure
BBLS_H2O	26
BBLS_OIL	49
MCF_GAS	880

Perferation Data:

Interval Bot:	7630	Interval Top:	7576
# of Holes:		Hole Size:	

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## Surface Location Data for API # 05-123-09926

Status: PR

Well Name/No: [UPRR 53 PAN AM G #2](#) (click well name for production)  
 Operator: KERR-MCGEE ROCKY MOUNTAIN CORPORATION - 47120  
 Status Date: 2/12/1998 Federal or State Lease #:  
 County: WELD #123 Location: SESE 11 2N 65W 6  
 Field: WATTENBERG - #90750 Footages: 990 FSL 990 FEL  
 DRLG Contr #: TOLTEK DRILLING CO Elevation: 4,857 ft.  
 Lat: 40.148457 Long: -104.624628

## Wellbore Data for Sidetrack #00

Status: PR 2/12/1998

Spud Date: 4/9/1980 Spud Date is: ACTUAL

## Wellbore Permit

Permit #: 19800337 Expiration Date: 7/27/1980  
 Prop Depth/Form: 7750 Surface Mineral Owner Same:  
 Mineral Owner: FEE Surface Owner:  
 Unit: Unit Number:  
 Formation and Spacing: Code: CODL , Formation: CODELL , Order: 407-66 , Unit Acreage: 160, Drill Unit: SE4  
 Formation and Spacing: Code: JSND , Formation: J SAND , Order: 0 , Unit Acreage: 320, Drill Unit: S2

## Wellbore Completed

Compltn Date: 6/9/1980  
 Measured TD: 7750 Measured PB depth: 7668  
 True Vertical TD: True Vertical PB depth:  
 Log Types: SP-IES, FDC-GR CALIPER  
 Casing: String Type: SURF , Hole Size: 12.25, Size: 8.625, Top: 0, Depth: 634, Weight: 24  
 Cement: Sacks: 420, Top: 0, Bottom: , Method Grade:  
 Casing: String Type: 1ST , Hole Size: 7.875, Size: 4.5, Top: 0, Depth: 7754, Weight: 10.5,11.6  
 Cement: Sacks: 210, Top: 0, Bottom: , Method Grade:

Formation	Log Top	Log Bottom	Cored
SUSSEX	4240		
SHANNON SANDSTONE	4485		
NIOBRARA	6845		
CODELL	7115		
J SAND	7566		

## Completed information for formation CODL

1st Prod Date: 3/25/1995 Choke Size:  
 Status Date: 2/12/1998 Hole Compl:  
 Commingled: Y Prod Metod: FLOWING  
 Formation Name: CODELL Status: PR  
 Formation Treatment: DIVERTAFRAC: PUMPED 71 BBLS OF POLYMER GEL AND 216 POLYMER GEL WI LBS OF 20/40 SAND. FLUSHED WITH 100 BBLS POLYMER GEL. CODELL FRAC: P 429 BBLS OF POLYMER GEL AND 854 BBLS OF POLYMER GEL WITH 182,900 LBS 20/40 SAND. FLUSHED WITH 29 BBLS OF 2% KCL. MAX PSI: 5800.  
 Tubing Size: 2.375 Tubing Setting Depth: 7179  
 Tubing Packer Depth: Tubing Multiple Packer:  
 Open Hole Top: Open Hole Bottom:

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)894-2100 Fax: (303)894-2100

FOR COGCC USE ONLY RECEIVED APR 26 2005 COGCC Planning Bond Surety ID# 124

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

2. TYPE OF WELL OIL  GAS  COALBED  OTHER:  SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES

Refilling  Sidetrack

Complete the Attachment Checklist

3. OGCC Operator Number: 47120 4. Name of Operator: Kerr-McGee Rocky Mountain Corporation 5. Address: 1999 Broadway, Suite 3600 6. Contact Name: Cheryl Light 7. Well Name: MANN 8. Unit Name: 9. Proposed Total Depth: 7704'

Attachment Checklist table with columns for APD Orig & 1 Copy, Form 2A, Well location plat, Topo map, Mine/Lease map, Surface agmt/Surety, 30 Day notice letter, Deviated Drilling Plan, Exceptional LCC Request, Exceptional LCC Waivers, H2S Contingency Plan, Federal Mining Permit.

10. Qtr/Qt: SESW Sec 11 11. Field Name: Wattenberg 12. Ground Elevation: 4860' 13. County: Weld 14. If well is:  Directional  Horizontal (highly deviated), submit deviated drilling plan.

15. Is location in a high density area (Rule 603b)?  Yes  No 16. Distance to the nearest building, public road, above ground utility or railroad: 250' 17. Distance to Nearest Property Line: 200' 18. Distance to nearest well permitted/completed in the same formation: 1255'

19. LEASE, SPACING AND POOLING INFORMATION table with columns: Objective Formation(s), Formation Code, Spacing Order Number (s), Unit Acreage Assigned to Well, Unit Configuration (N/2, SE/4, etc.)

20. Mineral Ownership:  Fee  State  Federal  Indian 21. Surface Ownership:  Fee  State  Federal  Indian 22. Is the Surface Owner also the Mineral Owner?  Yes  No

23. Using standard Qtr/Qt, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer): See Copy Of Attached Lease 24. Distance to Nearest Mineral Lease Line: 460' 25. Total Acres in Lease: 5709.48

26. Is H2S anticipated?  Yes  No 27. Will salt sections be encountered during drilling?  Yes  No 28. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling?  Yes  No

NOTE: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b.) If air/gas drilling, notify local fire officials. Table with columns: String, Size of Hole, Size of Casing, Weight Per Foot, Setting Depth, Sacks Cement, Cement Bottom, Cement Top

31. BOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  None 32. Comments: INTERESTS ARE COMMON 33. Initial Rule 306 Consultation took place on (date) 4/13/2005, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.

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: [Signature] Director of COGCC Date: 5-25-05

Permit Number: 20051522 Expiration Date: 5-24-06

API NUMBER 05-123-22997-00

CONTACT ED BINKLEY 48 HOURS PRIOR TO SPUD AT 970-506-9834. COMPLY WITH COGCC RULE 317.i. AND PROVIDE 200 FT CEMENT COVERAGE ABOVE THE NIOBRARA AND SUSSEX FORMATIONS. VERIFY COVERAGE WITH A CEMENT BOND LOG.

LOCATION: SE1/4 OF SW1/4 OF SEC. 11, T.2N., R.65W. (460 SSL, 2180 WSL)

Ground Elevation: 4860

Number of Acres: 40

AQUIFER	ELEVATION		NET SAND	DEPTH TO		ANNUAL APPROP A-F	STATUS
	BOT.	TOP		BOT.	TOP		
UPPER DAWSON	----	----	----	----	----	----	---
LOWER DAWSON	----	----	----	----	----	----	---
DENVER	----	----	----	----	----	----	---
UPPER ARAPAHOE	----	----	----	----	----	----	---
LOWER ARAPAHOE	----	----	----	----	----	----	---
LARAMIE-FOX HILLS	4159	4443	144.1	701	417	8.65	NT

note: E indicates location is at aquifer boundary and values may be more approximate.



### Selected Items Report

Oil and Gas Wells Selected		
Filter Results by Formation <input type="checkbox"/> Include <input checked="" type="checkbox"/>		CODL <input checked="" type="checkbox"/> DK-J <input checked="" type="checkbox"/> DKTA <input checked="" type="checkbox"/>
WELL DESCRIPTION	LOCATION	WELL INFORMATION
05-123-10307, ENCANA OIL & GAS (USA) INC., 2 DOWDY	SESE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7720 CODL PR 00 7720 J-CDL 00 7720 JSND PR
05-123-20256, ENCANA OIL & GAS (USA) INC., 33-10 DOWDY	NWSE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7875 JSND PR
05-123-20608, ENCANA OIL & GAS (USA) INC., 34-10 DOWDY	SWSE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7948 JSND PR
05-123-20609, ENCANA OIL & GAS (USA) INC., 32-10 DOWDY	SWNE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7920 JSND PR
05-123-20612, ENCANA OIL & GAS (USA) INC., 42-10 DOWDY	SENE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7921 JSND PR
05-123-20622, ENCANA OIL & GAS (USA) INC., 43-10 DOWDY	NESE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7920 JSND PR
05-123-07905, PETERSON ENERGY MANAGEMENT INC., 1 DOWDY	NENE 10 2N -65W (6)	Sidetrack TD Formation Status 00 7710 JSND AB 00 7710 SUSX PR
05-123-07828, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 1 UPRR 53 PAN AM G	SWSW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7765 J-CDL CM 00 7765 JSND PR
05-123-22037, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 4-11 PALYO	NWNW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7309 NB-CD PR
05-123-22106, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 6-11 BALDWIN	SENW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7281 NB-CD PR
05-123-22005, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 12-11 BALDWIN	NWSW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7301 CODL 00 7301 NB-CD PR
05-123-09222, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 1 UPRR 53 PAN AM J	SWNE 11 2N -65W (6)	Sidetrack TD Formation Status 00 7706 JNBCD PR 00 7706 JSND SI 00 7706 NB-CD PR
05-123-19951, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 11-11A HSR-BALDWIN	NESW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7953 DKTA AB 00 7953 JSND PR
05-123-09927, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 2 UPRR 53 PAN AM UNIT J	NENW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7757 JNBCD
05-123-19557, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 5-11A HSR-BALDWIN	SWNW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7845 DK-J 00 7845 DKTA SI 00 7845 JSND PR
05-123-09926, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 2 UPRR 53 PAN AM G	SESE 11 2N -65W (6)	Sidetrack TD Formation Status 00 7750 CODL PR 00 7750 J-CDL 00 7750 JSND PR
05-123-07828, KERR-MCGEE ROCKY MOUNTAIN CORPORATION, 1 UPRR 53 PAN AM G	SWSW 11 2N -65W (6)	Sidetrack TD Formation Status 00 7765 CODL PR
		Sidetrack TD Formation Status

05-123-09927, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 2 UPRR 53 PAN AM UNIT J	NENW 11 2N -65W (6)	00 7757 JSND PR 00 7757 NB-CD PR
05-123-07320, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1 HARKIS POOLING UNIT	NESW 12 2N -65W (6)	Sidetrack TD Formation Status 00 7722 CODL PR 00 7722 JSND PR
05-123-22647, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 14-12 PERKINS	SESW 12 2N -65W (6)	Sidetrack TD Formation Status 00 7752 CODL PR
05-123-22262, UNITED STATES EXPLORATION INC , 21-13 HARKIS	NENW 13 2N -65W (6)	Sidetrack TD Formation Status 00 7884 JSND PR
05-123-09825, UNITED STATES EXPLORATION INC , 2 UPRR 62 PAN AM UNIT G	NWNW 13 2N -65W (6)	Sidetrack TD Formation Status 00 7723 JSND PR
05-123-09865, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 2 GORDON P. WEICHEL UNIT B	SESW 14 2N -65W (6)	Sidetrack TD Formation Status 00 7756 JSND PR
05-123-21888, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 5-14 WEICHEL	SWNW 14 2N -65W (6)	Sidetrack TD Formation Status 00 7306 CODL CM 00 7306 NB-CD PR 00 7306 NBRR CM
05-123-09706, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1 GORDON P. WEICHEL UNIT B	NESW 14 2N -65W (6)	Sidetrack TD Formation Status 00 7762 JSND PR
05-123-09777, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 2 GORDON P. WEICHEL	NESE 14 2N -65W (6)	Sidetrack TD Formation Status 00 7750 CODL PR 00 7750 J-CDL 00 7750 JSND PR
05-123-19573, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 13-14 HSR-WEICHEL	SWSW 14 2N -65W (6)	Sidetrack TD Formation Status 00 7881 DK-J CM 00 7881 DKTA TA 00 7881 JSND PR
05-123-10346, VESSELS OIL & GAS COMPANY , 1 FARRINGTON REED CARPENTER	NWSW 14 2N -65W (6)	Sidetrack TD Formation Status
05-123-08463, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1 GORDON P. WEICHEL	SWNE 14 2N -65W (6)	Sidetrack TD Formation Status 00 7633 CODL PR 00 7633 J-CDL 00 7633 JSND PR
05-123-09185, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1 UPRR 62 PAN AM GAS UNIT K	NWNE 15 2N -65W (6)	Sidetrack TD Formation Status 00 7700 JSND PR
05-123-21125, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1-15A HARKIS	NENE 15 2N -65W (6)	Sidetrack TD Formation Status 00 7914 JSND TA 00 7914 NB-CD PR
05-123-20229, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 8-15A HSR-HARKIS	SENE 15 2N -65W (6)	Sidetrack TD Formation Status 00 7920 JSND PR
05-123-21125, KERR-MCGEE ROCKY MOUNTAIN CORPORATION , 1-15A HARKIS	NENE 15 2N -65W (6)	Sidetrack TD Formation Status 00 7914 DK-J CM 00 7914 DKTA TA 00 7914 JDCNB PR

**Facilities Selected**

FACILITY DESCRIPTION	LOCATION	PIT INFORMATION		
		Type	Unlined	Status

**Water Wells Selected**

Filter Results by Depth

WELL DESCRIPTION	LOCATION	WELL INFORMATION			
		Depth	Top Perf	Bottom Perf	Aquifer
Receipt=0009714, Permit=0010628-AD-, FARMERS RESERVOIR & IRR	NENE 10 2N-65W	0	0	0	GW
Receipt=0009715, Permit=0010629-AD-, FARMERS RESERVOIR & IRR	NENE 10 2N-65W	0	0	0	GW
Receipt=0461395, Permit=0232391--, BARGAS LARRY E & MARSHA	SENE 10 2N-65W	500	405	500	KLF
Receipt=9064838, Permit=0056670--, DOWDY DON	SESE 10	52	46	52	GW

	2N-65W				
Receipt=0476878, Permit=0234419-- BECK TROY M & KATHLEEN A	SESW 10 2N-65W	0	0	0	KL
Receipt=0272165, Permit=0032038-F, BENEDICT MITCHELL	SESW 11 2N-65W	0	0	0	KLF
Receipt=0375459, Permit=0182975-- PALYO JULIUS L	SWNW 11 2N-65W	652	442	652	KLF
Receipt=9060419, Permit=0010671-F, PERKINS LAND & LIVESTOCK II LLC	NESE 11 2N-65W	62	32	62	GW
Receipt=9065762, Permit=0084520-- DOWDY DON	SESE 11 2N-65W	64	0	0	GW
Receipt=9058687, Permit=0001305-R, PERKINS LAND & LIVESTOCK II LLC	SWSE 11 2N-65W	58	0	0	GW
Receipt=0490892, Permit=0241545-- PERKINS LAND & LIVESTOCK II LLC	SWSE 11 2N-65W	620	460	630	KLF
Receipt=0362631, Permit=0175242-- BALDWIN LYNN J & KARMEN L	NWSW 11 2N-65W	640	430	640	KLF
Receipt=0368856, Permit=0179023-- DOWDY TONY	SESW 11 2N-65W	530	440	530	KLF
Receipt=0502205, Permit=0247953-- DOWDY APRIL & TROY	SWSW 11 2N-65W	0	0	0	KLF
Receipt=0506282, Permit=0059163-F, DOWDY ANTHONY R	SWSW 11 2N-65W	480	0	0	KLF
Receipt=9058686, Permit=0001304-R-R, DOWDY DON & IRMA	SWSW 11 2N-65W	63	33	63	GW
Receipt=0336794, Permit=0041087-F, DOWDY ANTHONY R	SWSW 11 2N-65W	480	400	480	KLF
Receipt=9063364, Permit=0027876-- DOWDY ANTHONY R	SWSW 11 2N-65W	480	0	0	GW
Receipt=0301546, Permit=0154774-- PERKINS LAND & LIVESTOCK II LLC	SWNW 12 2N-65W	60	40	60	GW
Receipt=0320995B, Permit=0159506-- PERKINS LAND & LIVESTOCK II LLC	SESW 12 2N-65W	520	480	520	KLF
Receipt=9059304, Permit=0004893-- PERKINS LAND & LIVESTOCK II LLC	SESW 12 2N-65W	60	40	60	GW
Receipt=9059243, Permit=0004533-- PERKINS LAND & LIVESTOCK II	SWSW 12 2N-65W	54	0	0	GW
Receipt=9064244, Permit=0041778-- KNAUB CHARLOTTE L	SWSW 12 2N-65W	59	0	0	GW
Receipt=0440110, Permit=0041778--A, GERKIN LAWRENCE E	SWSW 12 2N-65W	60	40	60	GW
Receipt=9058881, Permit=0002281-F, PERKINS LAND & LIVESTOCK II LLC	SWSW 12 2N-65W	55	35	55	GW
Receipt=9059576, Permit=0006391-R, PERKINS LAND & LIVESTOCK II LLC	SWNW 13 2N-65W	52	0	0	GW
Receipt=9059652, Permit=0006611-F, PERKINS LAND & LIVESTOCK II LLC	SWNW 13 2N-65W	48	28	48	GW
Receipt=9058859, Permit=0002044-F, PERKINS LAND & LIVESTOCK II LLC	SWNW 13 2N-65W	60	30	60	GW
Receipt=0456267A, Permit=0224589-- OVERMAN GORDON & CHRISTINA	NENE 14 2N-65W	540	430	530	KLF
Receipt=0006955, Permit=0122180--A, BREWER DELBERT	NENE 14 2N-65W	0	36	56	GW
Receipt=0441096, Permit=0216619-- MICHAEL JAMES O & SHIRLEY E	NWNE 14 2N-65W	545	440	545	GW
Receipt=0442840, Permit=0216621-- WEICHEL GORDON P & CLARKIE R	NWNE 14 2N-65W	62	42	62	GW
Receipt=9058919, Permit=0002542-F, WEICHEL GORDON	NWNE 14 2N-65W	58	0	0	GW
Receipt=9059316, Permit=0004967-- WEICHEL GORDON	NWNE 14 2N-65W	58	0	0	GW
Receipt=9065746, Permit=0084224-- WEICHEL GORDON	NWNE 14 2N-65W	62	0	0	GW
Receipt=9064122, Permit=0039182-- BREWER FRED	NENW 14 2N-65W	62	0	0	GW
Receipt=0264432, Permit=0039182--A, BLACKWELL JOHN R & DIANE M	NENW 14 2N-65W	58	38	58	GW
Receipt=0109178, Permit=0008602-AD, BREWER FRED	NENW 14 2N-65W	0	0	0	GW
Receipt=0105501, Permit=0108386--A, BREWER FRED & PEGGY	NWNW 14 2N-65W	41	21	41	GW
Receipt=0467041, Permit=0108386--A, CRUZ GINA MAE	NWNW 14	70	50	70	GW

	2N-65W				
Receipt=9059305, Permit=0004901-F-, PERKINS LAND & LIVESTOCK II LLC	NWNW 14 2N-65W	65	45	65	GW
Receipt=0108770A, Permit=0108494-A, WEICHEL G	SEnw 14 2N-65W	0	0	0	GW
Receipt=9059001, Permit=0003150-F-, PERKINS LAND & LIVESTOCK II LLC	SWNW 14 2N-65W	65	50	85	GW
Receipt=9060562, Permit=0011067-R-, WEICHEL GORDON P	SWNW 14 2N-65W	72	0	0	GW
Receipt=9063803, Permit=0035777--, WEICHEL GORDON	NWSE 14 2N-65W	63	0	0	GW
Receipt=0216771, Permit=0120940--, WEICHEL GORDON P.	NWSW 14 2N-65W	0	43	63	GW
Receipt=9059110, Permit=0004000-F-, WEICHEL GORDON P	SESW 14 2N-65W	60	0	0	GW
Receipt=0477094, Permit=0237860--, PERKINS LAND & LIVESTOCK II LLC	NENE 15 2N-65W	630	440	630	KLF
Receipt=9060424, Permit=0010675--, NICHOLS DARRELL	NENE 15 2N-65W	64	0	0	GW
Receipt=9060547, Permit=0011038-R-, PERKINS LAND & LIVESTOCK II LLC	SENE 15 2N-65W	71	41	71	GW
Receipt=0005085, Permit=0011038-R-R, PERKINS LAND & LIVESTOCK II LLC	SENE 15 2N-65W	64	40	64	GW
Receipt=0466276, Permit=0035173-F-R, VICTOR BRUCE M & JULIE A	NESE 15 2N-65W	57	37	57	GW

Well name and number:

### Survey Plat Check list

number	Item	
	8-1/2" x 11" scaled drawing of the entire section	OK
1	Dimensions on adjacent exterior section lines sufficient to completely describe the quarter section containing the proposed well shall be indicated	OK
1a	If dimensions are not field measured, state how the dimensions were determined	OK
2	For directional drilling into an adjacent section, that section shall also be shown on the location plat and dimensions on exterior section lines sufficient to completely describe the quarter section containing the proposed productive interval and bottom hole location shall be indicated.	N/A
3	For irregular, partial or truncated sections, dimensions will be furnished to completely describe the entire section containing the proposed well.	N/A
4	The field measured distances from the nearer north/south and nearer east/west section lines shall be measured at ninety (90) degrees from said section lines to the well location and referenced on the plat.	OK
4.1*	For unsurveyed land grants and other areas where an official public land survey system does not exist the well locations shall be spotted as footages on a protracted section plat using Global Positioning System (GPS) technology and also reported as latitude and longitude in accordance with the requirements set forth below: in 4A, 4B, 4C	N/A
4A*	All GPS data reported to the Commission shall be differentially corrected using base station data or other correction sources. The base station or other correction source shall be identified and reported with the coordinate values.	
4B*	Coordinates shall be reported as latitude and longitude in decimal degrees to an accuracy of at least five (5) decimal places (e.g.; latitude 37.12345 N, longitude 104.45632 W).	
4C*	All data shall be referenced to the North American Datum (NAD) of 1927.	OK
4D	The date of the survey shall be reported.	OK
5	A map legend	
6	A North Arrow	
7	A scale expressed as an equivalent (e.g. 1" = 1000').	
8	A bar scale.	
9	The ground elevation.	
10	The basis of the elevation (how it was calculated or its source).	
11	The basis of bearing or interior angles used.	
12	Complete description of monuments and/or collateral evidence found; all aliquot corners used shall be described.	
13	The legal land description by section, township, range, principal meridian, baseline and county.	
14	Operator name	
15	Well name and number	
16	Date of completion of scaled drawing	OK
17a	All visible improvements within two hundred (200) feet of a wellhead (or, in a high density area within four hundred (400) feet of a wellhead) shall be physically tied in and plotted on the well location plat or on an addendum, with a horizontal distance and approximate bearing from the well location.	N/A
17b	Visible improvements shall include, but not be limited to, all buildings, publicly maintained roads and trails, major above-ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells, visible plugged wells, sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water flows.	N/A
17c	If there are no visible improvements within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead), it shall be so noted on the Permit-to-Drill, Form 2.	OK
18	Surface use shall be described within the two hundred (200) foot radius of a wellhead (or in a high density area within the four hundred (400) foot radius of a wellhead).	OK

\* Only required for unsurveyed land grants and other areas where an official public land survey system does not exist.

The survey plat you submitted with your permit was found to be in non-compliance with COGCC rule 303c. See above checklist. If a survey plat is not in compliance with rule 303c the operator will be notified and the permit will be placed on hold until an adequate replacement is supplied to the COGCC.

good

**KERR-MCGEE ROCKY MOUNTAIN CORPORATION**

1999 BROADWAY • SUITE 3600 DENVER, COLORADO 80202

April 13, 2005

PHONE: 303/298-3800  
FAX: 303/298-3801Christopher & Loretta Mann  
22275 Weld County Road 22  
Hudson, CO 80642Re: Notice of Intent to Conduct Surface Operations  
MANN 14-11  
Township 02N, Range 65W  
Section 11: SE/4SW/4  
Weld County, ColoradoATTN:  
Steve  
Lindblom  
(303) 894-2109

Dear Mr. and Mrs. Mann:

The Colorado Oil and Gas Conservation Commission ("COGCC") has adopted guidelines and procedures regarding oil and gas activities affecting the surface. These rules stipulate that an affected surface owner must be given notice in writing by an operator at least thirty (30) days prior to drilling an oil and gas well.

Kerr-McGee Rocky Mountain Corporation ("KMG") intends to begin operations to drill the above captioned oil and gas well(s) upon approval of title receipt of permits from the COGCC prior to August 31, 2005. As the surface owner, it is your responsibility to notify the tenant farmer, if applicable, of this proposed operation.

The COGCC's brochure for surface owners containing the rules pertaining to notice of oil and gas operations, reclamation and opportunities for consultation thereon, as well as, the rules of procedure for filing complaints and making applications for hearings is enclosed. Should you have any questions and/or concerns, please contact our office.

Very truly yours,

**KERR-MCGEE ROCKY MOUNTAIN CORPORATION**Donald French  
Landman

I/we waive the 30 day notice referenced above and approve of the operations commencing upon KMG's receipt of the drilling permit.

:cl  
Enclosures



Rev. 8-16-71

600052

TRIPPLICATE ORIGINAL  
CHAMPLIN COPY



PHOTO COPY

SURFACE OWNER'S AGREEMENT

THIS AGREEMENT, made and entered into this 24th day of May, 19 73, by and between

DON D. DOWDY and IRMA NELL DOWDY, a/k/a IRMA N. DOWDY, husband and wife, of Hudson, Colorado (hereinafter for convenience called the "Land Owner"); JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation, having its principal place of business at Boston, Massachusetts (hereinafter for convenience called the "Beneficiary");

~~(Champlin Petroleum Company hereinafter referred to as the "Land Owner")~~, and CHAMPLIN PETROLEUM COMPANY (hereinafter for convenience called "Champlin");

W I T N E S S E T H:

RECITALS:

Land Owner is the owner of the following described premises hereinafter referred to as "described premises":

The East Half (E $\frac{1}{2}$ ), the North Half of the Northwest Quarter (N $\frac{1}{2}$ NW $\frac{1}{4}$ ), the North Half of the Southwest Quarter of the Northwest Quarter (N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ ), the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), and the South Half of the Southeast Quarter of the Southwest Quarter (S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Eleven (11), Township Two (2) North, Range Sixty-five (65) West of the Sixth Principal Meridian, Weld County, Colorado, excepting a parcel of land 85 feet in width conveyed to The Farmers Reservoir and Irrigation Company by Quitclaim Deed recorded in Book 406, Page 290, in the office of the County Clerk and Recorder of the Weld County Records.

SUBJECT, however, to exceptions and reservations of minerals and rights of entry and of surface use contained in a certain deed or deeds of conveyance, as follows: Warranty Deed No. 2452 dated August 25, 1908, from Union Pacific Railroad Company to The Denver Farm Lands Co., recorded October 2, 1908, in Book 233 at Page 174 in the office of the County Clerk and Recorder of Weld County, Colorado.

Champlin is successor in interest to all the right, title, and interest of Union Pacific Railroad Company in and to the oil, gas, and associated liquid hydrocarbons in said premises for a term or period equal to or exceeding the term of this Surface Owner's Agreement.

Champlin proposes for Champlin or its agents, lessees, licensees, successors, or assigns to prospect upon and explore the described premises for the development and production of oil, gas, and associated liquid hydrocarbon substances either on Champlin's behalf or under or pursuant to an oil and gas lease or license, or under or pursuant to a "unitization agreement," meaning here and wherever that term is used herein any operating agreement, or any other agreement covering the exploration or development for or the production of oil, gas, or associated liquid hydrocarbons, or any pooling, communitization, unit or other agreement whereby the described premises may be included with other lands in proximity thereto as a unit area under a plan of unit or joint exploration, development, and operation.

AGREEMENT:

NOW, THEREFORE, it is agreed as follows:

Section 1. In consideration of the mutual benefits and of the sum of Ten Dollars (\$10) paid by Champlin to Land Owner, receipt whereof is hereby acknowledged, Land Owner hereby confirms, extends, and grants to Champlin, its agents, lessees, licensees, successors, and assigns, including any operator or unit operator from time to time in charge of operations under a unitization agreement, and their respective successors and assigns, the easements and rights to enter upon the described premises and to drill, construct, maintain and use upon, within, and over said premises all oil wells, gas wells, derricks, machinery, tanks, drips, boilers, engines, pipe, power and telephone lines, roadways, water wells, and, without limitation by reason of the foregoing enumeration, any and all other structures, equipment, fixtures, appurtenances, or

facilities (all the above being included under the term "facilities") necessary or convenient in prospecting and developing for, producing, storing, transporting, and marketing oil, gas, and associated liquid hydrocarbon substances under or produced from any portion of the described premises or under or produced from any portion of the unit area created under a unitization agreement, together with the right to remove said facilities and the right to use such water as may be needed from the described premises, not including water from Land Owner's wells.

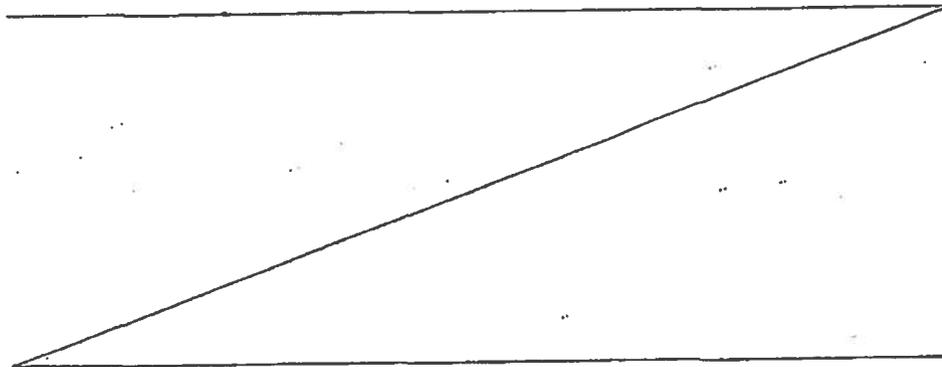
Section 2. Champlin agrees, so long as it is receiving oil and/or gas production from or oil and/or gas royalties upon production from the described premises or allocated thereto under the provisions of a unitization agreement, to pay or cause to be paid to the Land Owner in cash the value on the premises of two and one-half percent ( $2\frac{1}{2}\%$ ) of all the oil and gas and associated liquid hydrocarbons hereafter produced, saved, and marketed therefrom or allocated thereto as aforesaid, except oil and gas and associated liquid hydrocarbons used in operations on the premises or used under the unitization agreement, and except that as to casinghead gasoline and other products manufactured from gas there shall be deducted the cost of manufacture; provided, however, that during any time the described premises or any portion thereof are included within the boundaries of a participating, pooled, or communitized area, (to which inclusion Land Owner expressly consents) and there is no provision for the payment of royalties to Champlin but it participates in the production from the pooled, communitized, or unit area as a working interest owner, then the two and one-half percent ( $2\frac{1}{2}\%$ ) above set forth shall be applied to that percentage of the total production from such area which is allocated to the described premises.

When production of oil from lands under several surface ownerships is commingled in one central tank setting for practical operating reasons, periodic individual well tests may be made to compute the quantities of commingled oil properly allocable to each well, and the two and one-half percent ( $2\frac{1}{2}\%$ ) payment provided herein shall be payable upon the quantities apportioned to each well as reported to Champlin in full satisfaction of the obligations of Champlin under this Section 2.

Section 2-1/2. Beneficiary, as the holder of a promissory note given by Don D. Dowdy and Irma Nell Dowdy, a/k/a Irma N. Dowdy, husband and wife, payment of which is secured by that certain deed of trust dated May 1, 1972 in favor of Beneficiary, recorded on May 1, 1972, in Book 667, Reception No. 1588690 in the office of the Clerk and Recorder of Weld County, Colorado, hereby subjects and subordinates said deed of trust to the rights granted to Champlin, its agents, lessees, licensees, successors, and assigns under Section 1 of this agreement.

Land Owner hereby assigns, transfers and sets over to Beneficiary all payments and other rights and benefits which may be paid or become payable to the Land Owner under and by virtue of this agreement. Beneficiary authorizes Champlin to pay any and all such payments to Land Owner until Champlin is notified in writing by Beneficiary to make all such payments directly to Beneficiary; and Champlin agrees to make all such payments hereunder to Beneficiary when notified in writing by Beneficiary to do so.

It is agreed that all money payments which may become due under and by virtue of this agreement shall, upon notice as aforesaid, be paid by Champlin to Beneficiary, to be applied as advance payment of the principal obligation under the promissory note secured by the aforementioned deed of trust, but shall not defer the due date of any installment provided for in said deed of trust, until such time as said principal obligation is paid in full, and thereafter such payments shall be made to Land Owner.



Section 3. Should the described premises or any portion thereof at any time be committed to a unitization agreement, the operator or unit operator under such agreement may exercise the rights granted under Section 1 hereof during the period ending with the fifth calendar year following the date of this agreement without compensation to the Land Owner other than payment as above provided, but after said period if such operator shall install or maintain any facilities other than pipe or pole lines upon the described premises during any calendar year, it shall pay Land Owner One Dollar (\$1.00) per acre for the acreage used during any part of that calendar year, if such use substantially deprives the Land Owner of the use of such acreage. The above amount of One Dollar (\$1.00) per acre shall be subject to upward revision upon a showing by the Land Owner that the land involved has theretofore earned and is capable of earning a greater sum per acre.

Section 4. Nothing herein contained shall be construed as a covenant to drill by Champlin, its agents, lessees, licensees, successors, or assigns, or by any operator or unit operator, or as a grant to Land Owner of oil or gas rights or rights in other associated liquid hydrocarbons.

Section 5. Champlin, its agents, lessees, licensees, successors, and assigns, including the operator or unit operator under a unitization agreement, shall be required: (a) to pay for all damage to Land Owner's lands, buildings, and growing crops caused by the erection or construction of facilities to be used in connection with oil or gas or associated liquid hydrocarbon operations; (b) to bury all pipe lines below plow depth where such lines cross cultivated land; and (c) to construct gates or at its option install cattle guards where necessary for crossing fenced land in connection with exploration, development, or producing operations and, where an election has been made to construct gates in lieu of cattle guards, to keep such gates in repair and closed.

Section 6. Other than the payments to be made as aforesaid, the Land Owner shall not be entitled to any other or additional payments as a result of the conduct of operations upon the described premises.

Section 7. Subject to the provisions of Section 9 hereof, it is agreed that the covenants to pay the sums provided in Sections 2, 3, and 5 hereof shall be covenants running with the surface ownership of the described premises and shall not be held or transferred separately therefrom, and any sums payable under this agreement shall be paid to the person or persons owning the surface of the described premises as of the date the oil or gas

R. . 8-16-71 .

or associated liquid hydrocarbon production is marketed. Champlin shall not, however, become obligated to make such payments to any subsequent purchaser of the described premises and shall continue to make such payments to the Land Owner until the first day of the month following the receipt by Champlin of notice of change of ownership, consisting of the original or certified copies of the instrument or instruments constituting a complete chain of title from the Land Owner to the party claiming such ownership, and then only as to payments thereafter made.

Section 8. The easements, rights, and uses herein shall be binding upon the described premises and each and every part thereof, and the present and future owners thereof, and shall continue for the benefit of the present or future owners of the oil and/or gas and/or associated liquid hydrocarbon rights in the described premises and each and every part thereof and their agents, lessees, licensees, successors, and assigns, including any operator or unit operator, and for the benefit of other lands within any unit area within which the described premises, or any portion thereof may be included, and each and every part thereof.

Section 9. This agreement shall be in full force and effect from and after execution and delivery and shall continue in full force and effect for a period of one (1) year and so long thereafter as the oil and gas rights in the described premises are committed to an oil and gas lease or license or to a unitization agreement, or so long as a well capable of producing oil or gas or associated liquid hydrocarbons is located upon the described premises, or drilling or reworking operations are being conducted thereon, and, upon termination of such lease, license, or unitization agreement, or upon abandonment of such well, or upon cessation of such drilling or reworking operations, whichever last occurs, this agreement shall terminate; provided, however, that such termination shall neither affect nor terminate the rights, expressed or implied, in the deed or deeds referred to in the Recitals hereof.

Section 10. Subject to the provisions of Sections 7 and 9 hereof, this agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, and assigns.

Section 11. Irma Nell Dowdy, a/k/a Irma N. Dowdy, wife of the above-named Land Owner, does hereby join with her husband in the execution of the foregoing agreement, hereby releasing and waiving all right of homestead and dower in and to the lands above described.

IN WITNESS WHEREOF, the parties hereto have executed this

agreement as of the day and year first above written.

Attest:

CHAMPLIN PETROLEUM COMPANY

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Vice President

Witness/~~xxxxxx~~

Don D Dowdy  
DON D. DOWDY - Land Owner

\_\_\_\_\_  
~~xxxxxxxxxxxxxx~~

IRMA NELL DOWDY, a/k/a IRMA N.  
DOWDY - Land Owner

Attest: \_\_\_\_\_

Irma Nell Dowdy  
JOHN HANCOCK MUTUAL LIFE  
INSURANCE COMPANY - Beneficiary

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Treasurer

CONSENT OF PUBLIC TRUSTEE

The Public Trustee of Weld County, Colorado, will please consent to and join in the foregoing agreement.

~~Witness~~ Attest:

JOHN HANCOCK MUTUAL LIFE  
INSURANCE COMPANY - Beneficiary

\_\_\_\_\_

\_\_\_\_\_

Secretary

Treasurer

As Public Trustee in and for the County of Weld, State of Colorado, at the request of the present owner of the indebtedness and holder of the note secured by deed of trust dated May 1, 1972 to the Public Trustee of the County of Weld and State of Colorado, recorded in Book 667 at Rec 1588690 of the records in the office of the Clerk and Recorder of Weld County, Colorado, I do hereby consent to the above and foregoing agreement to the extent that said land is affected by said deed of trust.

Witness:

\_\_\_\_\_

Public Trustee of the County of  
Weld and State of Colorado

STATE OF COLORADO )  
                          ) ss  
COUNTY OF WELD     )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1973, by \_\_\_\_\_ as Public Trustee of Weld County, Colorado.

Witness my hand and official seal.

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

(SEAL)

INDIVIDUAL ACKNOWLEDGMENT

State of Colorado )  
County of Weld )

On this 24th day of May, 19 73,

before me personally appeared DON D. DOWDY and IRMA NELL DOWDY,  
a/k/a IRMA N. DOWDY, his wife, to me known to be  
the persons described in and who executed the foregoing instrument,  
and acknowledged that they executed the same as their free act and  
deed.

My commission expires February 17, 1975

(SEAL)

Louise Edwards  
Notary Public

Residing at Brighton, Colorado

INDIVIDUAL ACKNOWLEDGMENT

State of )  
County of )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_,

before me personally appeared \_\_\_\_\_  
and \_\_\_\_\_, his wife, to me known to be  
the persons described in and who executed the foregoing instrument,  
and acknowledged that they executed the same as their free act and  
deed.

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Residing at \_\_\_\_\_

CORPORATE ACKNOWLEDGMENT

COMMONWEALTH of MASSACHUSETTS)  
County of Suffolk ) ss

On this \_\_\_\_\_ day of \_\_\_\_\_, 19 73, before me, a Notary Public in and for said County, in the State aforesaid, personally appeared \_\_\_\_\_, to me personally known, and to me personally known to be the \_\_\_\_\_ ~~President~~ <sup>Treasurer</sup> of JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY and to be the same person whose name is subscribed to the foregoing instrument, and who, being by me duly sworn, did say that he is the \_\_\_\_\_ <sup>Treasurer</sup> ~~President~~ of said Company; that the seal affixed to said instrument is the corporate seal of said Corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and the said \_\_\_\_\_ acknowledged said instrument to be his free and voluntary act and deed, and the free and voluntary act and deed of said Corporation, by it voluntarily executed, for the uses specified therein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year above written.

My Commission Expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Residing at \_\_\_\_\_

(SEAL)