

February 20, 2009

Certified Mail – Return Receipt Requested

#7008 1140 0004 5103 4543

Merit Energy Company
Attn: Laura Dorety
13727 Noel Road, Suite 500
Dallas, TX 75240

RE: Notice of 318A(e) Well Proposal
Codell/Niobrara and J-Sand (New) Well
WELL NAME: **NELSON WW09-24D**
Section 9, T1N, R66W
Weld County, Colorado

Dear Ms. Dorety:

Noble Energy, Inc. (“NEI”) intends to propose, drill and operate the referenced well pursuant to paragraph 6 of Rule 318A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission (“COGCC”).

Additional information for this well:

- (1) **Wellbore Spacing Unit**
The wellbore spacing unit will be comprised of the 1N-66W Section 9: E/2SW/4, W/2SE/4 as depicted on the enclosed plat. The working interests attributable to the Codell/Niobrara and J-Sand formations in the contributing 40 acre quarter-quarter sections will be utilized to determine the interests of the parties in the proposed 160 acre spacing unit for this well. Recent title information indicates that you own approximately 80/160 net acres for a 0.5 interest in the proposed well.
- (2) **Target Formations**
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara and J-Sand formations.
- (3) **Surface and Bottom Hole Locations**
Surface Location: 524’ FSL, 1819’ FEL, Section 9, T1N, R66W
Bottom Hole Location: 1295’ FSL, 2458’ FEL, Section 9, T1N, R66W
- (4) **Anticipated Spud Date**
April 22, 2009

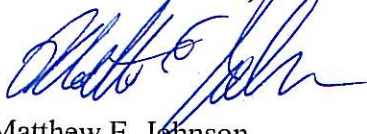
Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160 acre spacing unit set forth herein shall be established. However, should you have no objection to this proposal, please so indicate by signing in the space provided below as soon as possible. Your cooperation in this matter is greatly appreciated so that NEI may timely continue the permitting process for this well.

A formal well proposal, including NEI's proposed AFE and JOA will be forthcoming under separate cover. If your desire will be to participate in the drilling of this well, it would be cost effective if you provide any title information you have on your interest and if possible JIB decks.

Thank you in advance for your timely consideration and response to this proposal. Please feel free to contact me @ (303) 228-4073 should you have any questions.

Yours truly,

NOBLE ENERGY, INC.



Matthew E. Johnson
Senior Landman

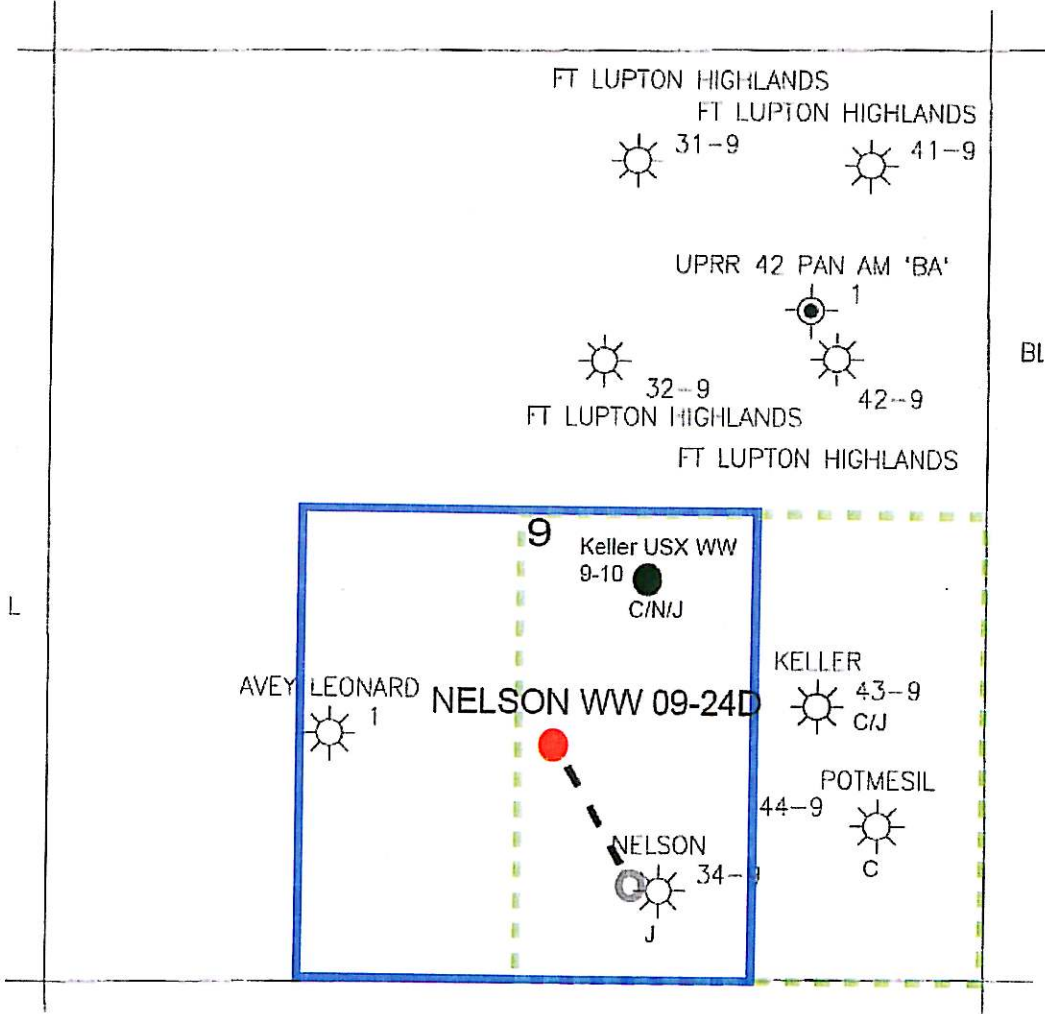
MEJ:mw
Encl.

Pursuant to paragraph 6 of Rule 318 A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission ("COGCC"), the undersigned has received notice from Noble Energy, Inc. ("NEI") of its intention to drill and operate the NELSON WW09-24D well in Section 9, T1N, R66W, Weld County, Colorado and the undersigned hereby waives the twenty (20) day notice requirement as provided by said rule.

By (Print Name):

Date:

Nelson WW 09-24D
SWSE, Section 9, T1N, R66W



LEGEND



Proposed 160 acre Spacing Unit



Bottom Hole Located SWSE, Section 9, T1N, R66W

The governmental ¼ Section has less than 8 bottom hole wells producing from the Codell, Niobrara, & J-Sand Formations.

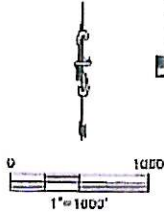
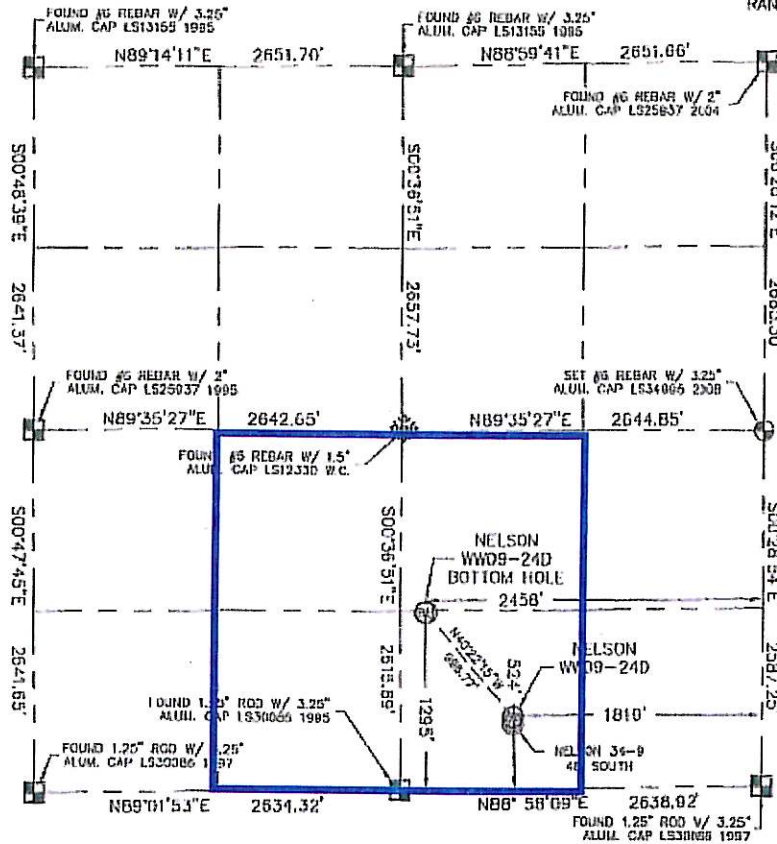
Proposed 318Ae Spacing Unit

KING SURVEYORS, INC. 650 E. GARDEN DR. WINDSOR, CO 80550

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION: 9
TOWNSHIP: 1N
RANGE: 66W



In accordance with a request from Joe Johnson with Hable Energy, Inc. King Surveyors Inc. has determined the surface location of the NELSON WWD9-24D to be 18.9' from the East line and 52.4' from the South line and the Bottom Hole to be 2458' from the East line and 1295' from the South line as measured at right angles from the section lines of Section 9, Township 1 North, Range 66 West of the Sixth Principal Meridian, County of Weld, State of Colorado.

I hereby state that this Well Location Certificate was prepared by me, or under my direct supervision, that the fieldwork was completed on September 24, 2008, for and on behalf of Hable Energy, Inc. That this is not a Land Survey Plat or an Improvement Survey Plat, and that it is not to be relied upon for establishment of fence, building, or other future improvement lines.

NOTE:



- 1) Bearings shown are Grid Bearings of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/2007. The linear dimensions as contained herein are based upon the "U.S. Survey Foot."
- 2) Ground elevations are based on an observed GPS elevation (NAVD 1988 DATUM).
- 3) NEAREST EXISTING WELL: NELSON 34-9 - 40' SOUTH
- 4) IMPROVEMENTS: FENCE LINE 160' EAST, FENCE LINE 144' WEST, WELL FENCE 42' SOUTH
- 5) SURFACE USE: OPEN PASTURE, EXISTING WELL SITE

SURFACE LOCATION	BOTTOM HOLE LOCATION
LATITUDE: 40.05006N	LATITUDE: 40.05006N
LONGITUDE: 104.77925W	LONGITUDE: 104.78153W
PDCP: 1.0	
ELEV: 5007	
1/4, 1/4 SW1/4SE1/4	
NEAREST PROPERTY LINE	
160' EAST, 144' WEST	

NOTE

According to Colorado law, you must commence any legal action based upon any defect in this W.L.C. within three years after you discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years after the date of the certificate shown herein. (13-60-105 C.R.S.)

LEGEND

-  - ALIQUOT MONUMENT AS DESCRIBED
-  - CALCULATED POSITION

Steve A. Lund
Steve A. Lund, On Behalf of King Surveyors, Inc.
Licensed Land Surveyor
State of Colorado
34995

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW

216 SIXTEENTH STREET, SUITE 1100
DENVER, COLORADO 80202-5115
TELEPHONE (303) 407-4499
FACSIMILE (303) 407-4494

ANDREW A. BREMNER

DIRECT: (303) 407-4476
E-MAIL: ABREMNER@BWENERGYLAW.COM

CASPER

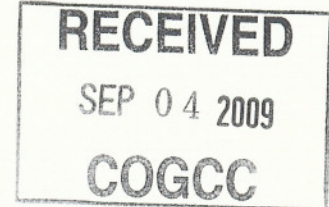
CHEYENNE

ORIGINAL

SALT LAKE CITY

September 4, 2009

Rob Willis
Oil and Gas Conservation Commission
State of Colorado
1120 Lincoln Street, Suite 801
Denver, CO 80202



Re: Noble Energy, Inc.
Lapp A24-30D
Section 13: Township 6 North, Range 64 West, 6th P.M.
Weld County, Colorado
Objection by Petro-Canada Resources (USA), Inc.

Nelson-USX WW09-24D
Section 9: Township 1 North, Range 66 West, 6th, P.M.
Weld County, Colorado
Objection by Merit

(collectively "318A(e) Wells")

Dear Rob:

Noble Energy, Inc., the operator on the above referenced Wells, proposed the drilling of the Wells. Enclosed please find objections to the drilling of these Wells, pursuant to 318(A)(e)(6)B. Also pursuant to 318A(e)(6)(B), Noble understands that upon such objections, the matter is set on the docket at the next available COGCC hearing. Please let us know when this matter may be heard on the COGCC's agenda.

Thank you in advance for your cooperation and please feel free to contact me should you have any questions.

Very truly yours,

BEATTY & WOZNIAK, P.C.

A handwritten signature in blue ink, appearing to be "A. Bremner".

Andrew A. Bremner

AAB:tlp
Enclosures

cc: Noble Energy, Inc.

www.bwenergylaw.com

Energy in the Law®



MERIT ENERGY COMPANY

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SEP 04 2009

COGCC

13727 Noel Road · Suite 500 · Dallas, Texas 75240
Ph 972.701.8377 · Fx 972.960.1252 · www.meritenergy.com

Laura E. Dorety
Land Administrator, North Division
972-628-1054
972-628-1354 (fax)
laura.dorety@meritenergy.com

February 24, 2009

Noble Energy Inc
1625 Broadway, Suite 2200
Denver, CO 80202

Attention: Mr. Matthew Johnson

Re: Notice of 318A(e) Well Proposal
Nelson WW09-24D New Codell-Niobrara/J Sand Combo Well
T1N-R66W, Section 9
Weld Co., CO

Dear Mr. Johnson

Merit Energy Company (Merit) is in receipt of Noble Energy Inc letter dated February 20, 2009, proposing the drilling of the above-mentioned well pursuant to Rule 318A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission. Pursuant to those rules, Merit has twenty (20) days from the date of receipt of the letter, that being February 25, 2009, to object in writing to the proposed well pursuant to Rule 318A(e). Merit hereby objects to the proposed well until further information is provided to Merit from Noble.

Below is a list of several concerns and questions that Merit has regarding the drilling of this proposed well:

1. What are the costs associated with the well? Has an AFE been prepared?
2. Who will operate the well?
3. Has a title opinion been prepared for this unit?
4. Is this the first 318A(e) well drilled in this section?
5. Has Noble tested or does Noble have plans to test any water wells that may affect this proposed well?
6. Who is the proposed Gas Purchaser for this well?
7. Where will the proposed tank battery facilities be located?

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COGCC

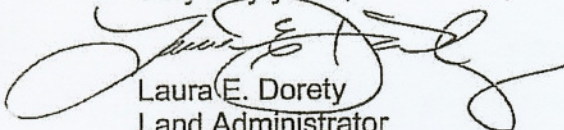
8. How is Noble addressing any commingling issues and different ownership in the different horizons in the wellbore?
9. What are Noble's frac plans and what type of frac will be done?

Merit is requesting an extension to Noble's proposal so that Merit's geologists, landmen and engineers can review the proposed location to verify it is the best location available for both Noble and Merit.

Based on Merit's concerns, we suggest both companies meet to discuss the situation at hand.

Additionally, Merit would like to discuss the AFE, title opinion, pooling agreement, cost allocation and JOA for this proposed well.

Very truly yours,



Laura E. Dorety
Land Administrator
DJ Basin- North Division