

Petroleum Development Corporation

August 13, 2009

*VIA USPS CERTIFIED MAIL
(Tracking Number 7008 1830 0001 2693 2378)*

Noble Energy, Inc.
Attention: Ms. Elizabeth (Libby) A. Ecord
1625 Broadway, Suite 2200
Denver, Colorado 80202

RE: Notice of 318A(e) Well Proposal – APD REFILE
Codell-Niobrara (New) Vertical Well
WELL NAME: Sater 19-JU
Section 19, T4N, R63W
Weld County, Colorado

Dear Ms. Ecord:

Unioil, a wholly owned subsidiary of Petroleum Development Corporation (“Unioil”), intends to propose, drill and operate the referenced well pursuant to paragraph 6 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 **N/2NW/4 of Section 19-T4N-R63W and the S/2SW/4 of Section 18-T4N-R63W** as depicted on the enclosed plat. The working interests attributable to the Codell-Niobrara 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 the well.
- (2) **Target Formations**
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara formations.
- (3) **Surface and Bottom Hole Location**
81' FNL, 1381' FWL Section 19-T4N-R63W
- (4) **Anticipated Spud Date**
November 25, 2009

CORPORATE OFFICE:
Petroleum Development Corporation
1775 Sherman Street, Suite 3000
Denver, CO 80203
303-860-5800

BRIDGEPORT OFFICE:
Petroleum Development Corporation
120 Genesis Boulevard • P.O. Box 26
Bridgeport, WV 26330
304-842-3597

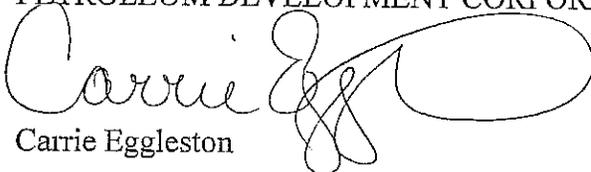
Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160-acre spacing unit set forth herein shall be established. However, should you have no objection to this proposal, your cooperation of a written reply, either faxed or mailed to that effect as soon as possible would be greatly appreciated so that Unioil may timely continue the permitting process for this well.

Unioil requests you provide a copy of all title opinions applicable to your leasehold within the described wellbore spacing unit so that we may have title updated and obtain a drilling and division order title opinion for the benefit of all participating and non-participating interest owners within the spacing unit.

A formal well proposal, including Unioil's proposed Authority For Expenditure and Operating Agreement will be forthcoming under separate cover.

Thank you in advance for your timely consideration and response to this proposal. Please feel free to contact me at (303) 860-5807 should you have any questions or need additional information.

Sincerely,
UNIOIL, a Wholly Owned Subsidiary of
PETROLEUM DEVELOPMENT CORPORATION



Carrie Eggleston

Enclosures

The undersigned hereby waives the minimum twenty (20) day written notice requirement as specified in paragraph 6 Rule 318A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission ("COGCC") and does not object to such well location and proposed spacing unit as set out herein.

NOBLE ENERGY, INC.

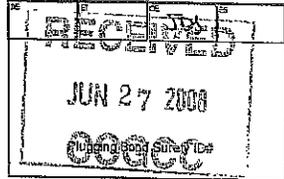
Printed Name: _____

Date: _____

FORM 2 Rev 12/05

061251

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)894-2100 Fax: (303)894-2109



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

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

3. Name of Operator: Unioil 4. COGCC Operator Number: 90950

5. Address: 1775 Sherman St, Suite 3000
City: Denver State: CO Zip: 80203

6. Contact Name: James Annable Phone: (303) 905-4340 Fax: _____

7. Well Name: Sater Well Number: 19JU

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

9. Proposed Total Measured Depth: 7700'

10. Qtr/Clr: NENW Sec: 19 Twp: 4N Rng: 63W Meridian: 6th PM
Latitude: 40.30464 N Longitude: 104.48472 W
Footage At Surface: 81 N 1381 W

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4670' 13. County: Weld

14. GPS Data:
Date of Measurement: 4/16/08 PDOP Reading: 6 Instrument Operator's Name: Thomas G. Carlson PLS 24657

15. If well is: Directional Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng:
Footage At Top of Prod Zone: _____ At Bottom Hole: _____

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: 1 Mile +

18. Distance to Nearest Property Line: 81' 19. Distance to nearest well permitted/completed in the same formation: 795'

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number (s)	Unit Acreage Assigned to Well	Unit Configuration (N2, SE4, etc.)
<u>Sussex-Shannon</u>	<u>SX-SN</u>	<u>N/A</u>	<u>160</u>	<u>All Formations:</u>
<u>Niobrara, Codell</u>	<u>NB-CD</u>	<u>407-67</u>	<u>160</u>	<u>Sec. 19 N2NW4 &</u>
<u>J Sand</u>	<u>JSND</u>	<u>232-23</u>	<u>160</u>	<u>Sec. 18 S2SW4</u>
<u>Pakota</u>	<u>PKTA</u>	<u>489-15</u>	<u>160</u>	

21. Mineral Ownership: Fee State Federal Indian
22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID# 20070028

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. 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 Qtr/Clr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed well/site is located (attach separate sheet/map if you prefer):
W2 Sec. 19 T4N R63W

25. Distance to Nearest Mineral Lease Line: 81' 26. Total Acres in Lease: 320

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No If 28, 29 or 30 are "Yes" a pit permit may be required.

31. Mud disposal: Offsite Onsite
Method: Land Farming Land Spreading Disposal Facility Other: _____

NOTE: The use of an earthen pit for Recirculation fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

String	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
<u>Surface</u>	<u>12 1/4"</u>	<u>8 5/8"</u>	<u>24#</u>	<u>500'</u>	<u>300sx</u>	<u>500'</u>	<u>Surface</u>
<u>Production</u>	<u>7 7/8"</u>	<u>4 1/2"</u>	<u>10.5#</u>	<u>7700'</u>	<u>260sx Poz</u>	<u>7700'</u>	<u>6000'</u>
<u>Conductor</u>	<u>N/A</u>	<u>N/A</u>					

32. BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

33. Comments: Conductor Casing will not be used.

34. Initial Rule 306 Consultation took place on (date) 5/2/08, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.
PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.
I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete.
Signed: _____ Print Name: James Annable
Title: Sr. Regulatory Consultant Date: 6/26/08 Email: jim.annable@comcast.net

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: David A. Nashin sxd Director of COGCC Date: 8/28/2008
Permit Number: 20084297 Expiration Date: 8/27/2009

API NUMBER
05-123-28159-00

CONDITIONS OF APPROVAL, IF ANY:

1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. Provide coverage from 200' below SX-SN to 200' above SX-SN if productive.



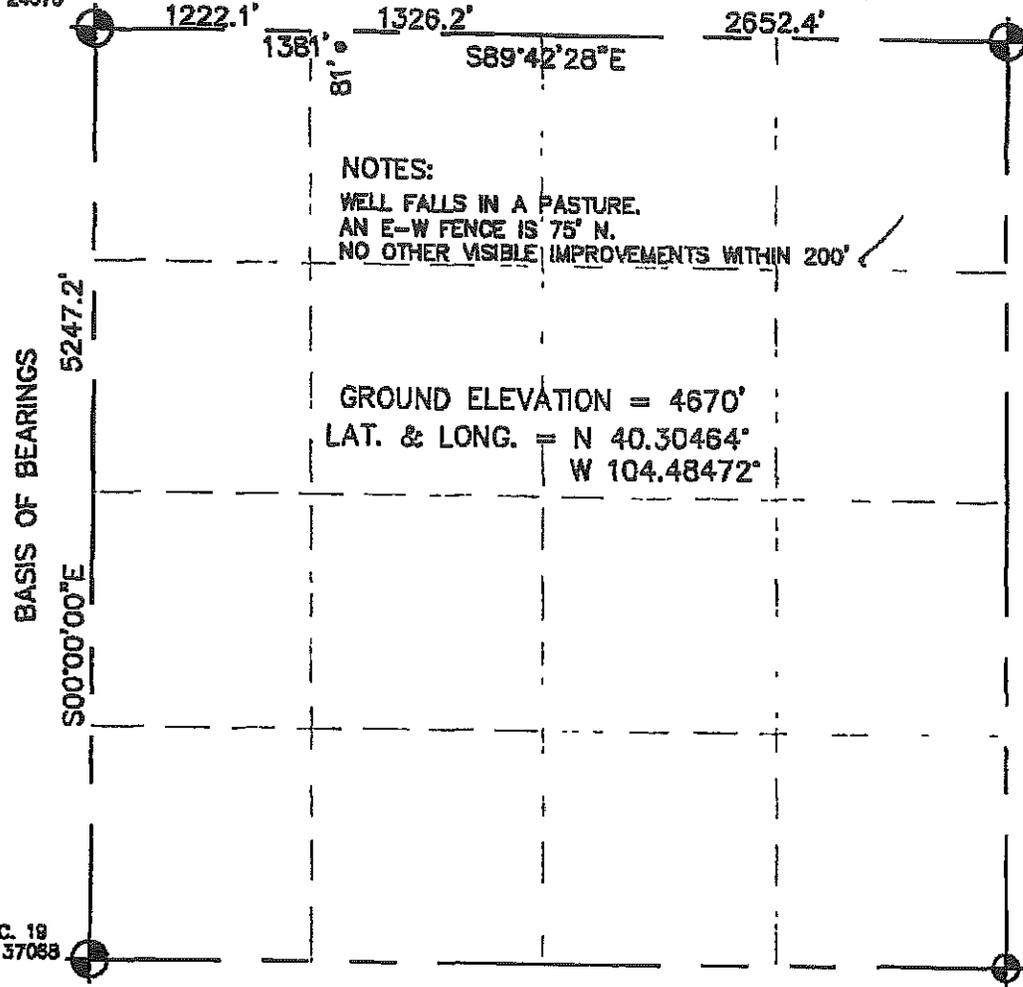
RECEIVED
JUN 27 2008
COGCC

WELL LOCATION CERTIFICATE

NW CORN SEC. 19
2.5 AC LS 24870

SECTION 19, TOWNSHIP 4 NORTH, RANGE 63 WEST, 6TH P.M.

NE CORN SEC 19
2.5 AC LS 24870



NOTES:
 WELL FALLS IN A PASTURE.
 AN E-W FENCE IS 75' N.
 NO OTHER VISIBLE IMPROVEMENTS WITHIN 200'

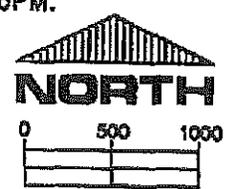
GROUND ELEVATION = 4670'
 LAT. & LONG. = N 40.30464°
 W 104.48472°

SW CORN SEC. 19
3.25 AC LS 37088

I HEREBY STATE TO UNIOIL THAT THIS WELL LOCATION CERTIFICATE FOR THE
 WELL SATER 19-JU IS LOCATED 81' FNL & 1381' FWL, SEC. 19, T4N, R63W, 6PM.

Thomas G. Carlson
 4-16-08
 THOMAS G. CARLSON, PLS 24657
 HORSESHOE SURVEYING, LLC

- LEGEND
- = FOUND MONUMENT
 - = PROPOSED WELL
 - = IMPROVEMENTS (AS LABELED)



SCALE 1" = 1000'

ELEVATION SOURCE = USGS 7.5' QUAD.MAP CONTOURS NGVD 1929 DATUM.

LAT. & LONG. ARE DIFFERENTIALLY CORRECTED (NAD'83) USING (DGPS) WITH (PDOP) VALUES LESS THAN SIX (6).

SHOWN DISTANCES ARE FIELD MEASURED - EXTERIOR SECTION LINES ARE DRAWN TO SCALE (BEST APPROX. OR FOUND MONUMENT).

DISTANCES TO WELL SHOWN PERPENDICULAR TO SECTION LINES.

THOMAS G. CARLSON, PLS 24657
HORSESHOE SURVEYING, LLC

THIS IS NOT A MONUMENTED BOUNDARY SURVEY, IT IS ONLY A DRAWING INTENDED TO DEPICT THE WELL LOCATION TO SECTION LINES.

PREPARED BY: HORSESHOE SURVEYING, LLC PO BOX 150458 LAKEWOOD, CO 80215 (720)872-0185		WELL NAME: SATER 19-JU /	
DRAWING DATE: 4-16-08		LOCATION: WELD COUNTY, CO NW1/4, SEC. 19, T4N, R63W, 6TH P.M.	
FIELD DATE: 4-16-08	BY: TGC	CHECK:	JOB NO. SHEET NO. 1 OF 1

Sater 19-JU Well

Green Outline: Proposed 160 acre spacing unit

Blue Outline: Not more than 8 wells with bottom hole in governmental quarter section.
Existing Codell/Niobrara producing wells in T4N-R63W; Sec. 19: NW¼:

- Sater 11-19U
- Sater 19AU
- Sater 12-19U
- Sater 21-19U
- Sater 22-19U

Red Markers: Surface and Bottom Hole locations

Township 4 North, Range 63 West, 6th P.M.

