

## Petroleum Development Corporation

August 13, 2009

VIA USPS CERTIFIED MAIL  
(Tracking Number 7008 1830 0001 2693 2392)

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-PU  
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 E/2SW/4 of Section 19-T4N-R63W and the W/2SE/4 of Section 19-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  
1218' FSL, 2537' FWL Section 19-T4N-R63W
- (4) Anticipated Spud Date  
December 10, 2009

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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.

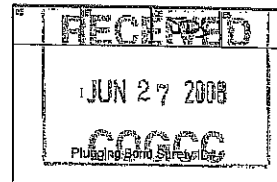
NOBLE ENERGY, INC.

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_



State of Colorado  
Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)694-2100 Fax: (303)694-2109



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

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

Refrilling ☐  
Sidetrack ☐

3. Name of Operator: Unioil	4. COGCC Operator Number: 90950	Complete the Attachment Checklist	
5. Address: 1775 Sherman St, Suite 3000	City: Denver State: CO Zip: 80203	APD Orig & 1 Copy	<input checked="" type="checkbox"/>
6. Contact Name: James Annable	Phone: (303) 905-4340 Fax:	Form 2A	<input checked="" type="checkbox"/>
7. Well Name: Sater	Well Number: 19PU	Well location plat	<input checked="" type="checkbox"/>
8. Unit Name (if appl):	Unit Number:	Topo map	<input checked="" type="checkbox"/>
9. Proposed Total Measured Depth: 7700'		Mineral lease map	<input type="checkbox"/>
		Surface agmt/Surety	<input type="checkbox"/>
		30 Day notice letter	<input checked="" type="checkbox"/>
		Deviated Drilling Plan	<input type="checkbox"/>
		Exception Location Request	<input checked="" type="checkbox"/>
		Exception Loc Waivers	<input checked="" type="checkbox"/>
		H2S Contingency Plan	<input type="checkbox"/>
		Federal Drilling Permit	<input type="checkbox"/>

10. Qtr: SESW Sec: 19 Twp: 4N Rng: 63W Meridian: 6th PM  
Latitude: 40.29380 N Longitude: 104.48067 W  
Footage At Surface: 1218' S 2537' W  
11. Field Name: Wattenberg Field Number: 90750  
12. Ground Elevation: 4620' 4710' 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: 1218' 19. Distance to nearest well permitted/completed in the same formation: 837'

20. LEASE, SPACING AND POOLING INFORMATION				
Objective Formation(s)	Formation Code	Spacing Order Number (s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE4, etc.)
Sussex-Shannon	SX-SN	N/A	160	All Formations:
Niobrara, Codell	NB-CD	467-87	160	E2SW4 & W2SE4
J Sand	JSND	232-23	160	
Dakota	DKTA	499-15	160	

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #  
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, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):  
W2 Sec. 19 T4N R63W  
25. Distance to Nearest Mineral Lease Line: 40' 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 Reclamation 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
Surface	12 1/4"	8 5/8"	24#	500'	300sx	500'	Surface
Production	7 7/8"	4 1/2"	10.5#	7700'	260sx Poz	7700'	6000'
Conductor	N/A	N/A					

32. BOP Equipment Type: ☐ Annular Preventor ☒ Double Ram ☐ Rotating Head ☐ None  
33. Comments: Conductor Casing will not be used.  
34. Initial Rule 305 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 305 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: James Annable 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 S. Mastin Director of COGCC Date: 8/28/2007

Permit Number: 20084295 Expiration Date: 8/27/2009  
CONDITIONS OF APPROVAL, IF ANY:

API NUMBER  
05-123-28158-00

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. and provide coverage from 200' below SX-SN to 200' above SX-SN if productive.



02027800

## WELL LOCATION CERTIFICATE

RECEIVED

NW CRN SEC. 19  
2.5° AC LS 24870

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

JUN 27 2008

COGCC

GROUND ELEVATION = 4710'  
LAT. & LONG. = N 40.29380°  
W 104.48067°

## NOTES:

WELL FALLS IN A PASTURE.  
NO VISIBLE IMPROVEMENTS WITHIN 200'

BASIS OF BEARINGS

5247.2'

S00°00'00"E

2537'  
1218'SW CRN SEC. 19  
3.25° AC LS 37068

1256.8'

1320.1'

2640.3'

S89°50'39"E

SE CRN SEC 19  
3.25° AC LS 16415I HEREBY STATE TO UNIOIL THAT THIS WELL LOCATION CERTIFICATE FOR THE  
WELL SATER 19-PU IS LOCATED 1218' FSL & 2537' FWL, SEC. 19, T4N, R63W, 6PM.

## LEGEND



= FOUND MONUMENT



= PROPOSED WELL

= IMPROVEMENTS  
(AS LABELED)

NORTH



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, LLCTHIS 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)872-0198

WELL NAME:

SATER 19-PU

LOCATION:

WELD COUNTY, CO  
SW1/4, SEC. 19, T4N, R63W, 6TH P.M.

DRAWING DATE:

4-16-08

FIELD DATE:

4-16-08

BY:

TCC

CHECK:

JOB NO.

SHEET NO.

1 OF 1

Sater 19-PU 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 13-19U

Sater 19BU

Sater 23-19U

Sater 14-19U

Sater 24-19U

Red Markers: Surface and Bottom Hole locations

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

