

1625 Broadway
Suite 2000
Denver, CO 80202

Tel: 303.228.4000
Fax: 303.228.4280
www.nobleenergyinc.com



April 21,, 2010

Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

Attn: Mr. David Neslin, Director

RE: **Schmidt K23-24D**
Codell/Niobrara/J Sand New Drill
Township 4 North, Range 66 West, 6th P.M.
Section 23: SE/4SW/4: 2326' FSL & 2551' FWL (Surface Location)
Section 23: SW/4NE/4: 2584' FSL & 2584' FWL (Bottom Hole Location)
Weld County, Colorado

Mr. Neslin:

Noble Energy, Inc. ("NEI") is planning to drill the captioned boundary well in accordance with the provisions of COGCC Rule 318A.e.

NEI's proposed wellbore spacing unit consists of the W2/SE4 and E2/SW4 of Section 23, T4N, R66W, creating a 160-acre wellbore spacing unit. NEI is not the only owner within the proposed wellbore spacing unit and as such provided notice to the remaining owner(s) within said proposed spacing unit as required under COGCC Rule 318A.e(6). Copies of the required notice letter(s) is/are attached. The required twenty (20) day notice period has elapsed absent the receipt by NEI of an objection to said proposal by the owner(s) within the proposed spacing unit for this well.

Also, enclosed are copies of the following documents to assist you in your review and approval of NEI's proposed APD for the captioned well:

- Plat illustrating the proposed wellbore spacing unit and number of Codell/Niobrara/J Sand wells located within the existing 160-acre governmental quarter section (SW/4) to be less than eight (8) in accordance with COGCC Rule 318A.f.
- Plat illustrating proposed wellbore spacing unit on existing location plat.

Thank you for your attention to the enclosed. NEI respectfully requests that the COGCC review the enclosed information and approve the Application for Permit to Drill the captioned well.

Sincerely,

A handwritten signature in black ink that reads 'Cheryl Johnson'.

Cheryl Johnson
Regulatory Analyst II
Noble Energy Inc.

1625 Broadway
Suite 2200
Denver, Colorado 80202

Tel: 303.228.4000
Fax: 303.228.4280



A red stamp with the word 'COPY' in a bold, sans-serif font, positioned to the right of a blue document icon.

March 1, 2010

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

ARTICLE # 7009 3410 0002 3934 2005

Kerr-McGee Oil & Gas Onshore LP
Attn: Bill Gonzalez
1099 18th Street, Suite 1800
Denver, CO 80202

RE: Notice of 318A.e. Well Proposal – Revised to include J-Sand Formation
Codell/Niobrara/J-Sand: New Well
WELL NAME: **SCHMIDT K23-24D**
Township 4 North, Range 66 West
Section 23: SE/4SW/4 (BHL)
Weld County, Colorado

Dear Mr. Gonzalez:

Noble Energy, Inc. (“Noble”) 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”). Attached for your information is a plat representing this proposal.

Additional information for this well:

- (1) **Wellbore Spacing Unit**
The wellbore spacing unit will be comprised of the W/2SE/4 and the E/2SW/4 of Section 23, in T4N, R66W, 6th P.M., as depicted on the enclosed plat. The working interests attributable to the formation(s) 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. It appears that you own a working interest in the proposed wellbore spacing unit for this well.
- (2) **Target Formations**
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara/J-Sand formations.
- (3) **Surface and Bottomhole Locations**
SHL: 2326’ FSL, 2551’ FWL, Section 23, T4N, R65W, 6th P.M.
BHL: 1220’ FSL, 2584’ FWL, Section 23, T4N, R65W, 6th P.M.
- (4) **Anticipated Spud Date**
2nd Quarter, 2010
- (5) **Request for Title Information**
In order to facilitate the rendering of a full title opinion, please provide copies of any title opinions, updates and JIB/Rev deck materials for the referenced spacing unit in your possession to Noble.

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 and return to Noble as soon as possible. A duplicate letter for your records is also enclosed. Your cooperation in this matter is greatly appreciated so that Noble may timely continue the permitting process for this well.

Thank you for your timely consideration and response to this proposal. Please do not hesitate to contact me at 303-228-4352 should you have any questions.

Very truly yours,

NOBLE ENERGY, INC.



Casey M. Kimble
Senior Land Negotiator

CMK:jkb

Enclosures

Pursuant to paragraph 6 of Rule 318A.e., Order 1R-100 of the Colorado Oil and Gas Conservation Commission, the undersigned has received notice from Noble Energy, Inc. ("Noble") of its intention to drill and operate the SCHMIDT K23-24D well in Section 23, T4N, R66W, Weld County, Colorado and the undersigned hereby waives the twenty (20) day notice requirement as provided by said rule.

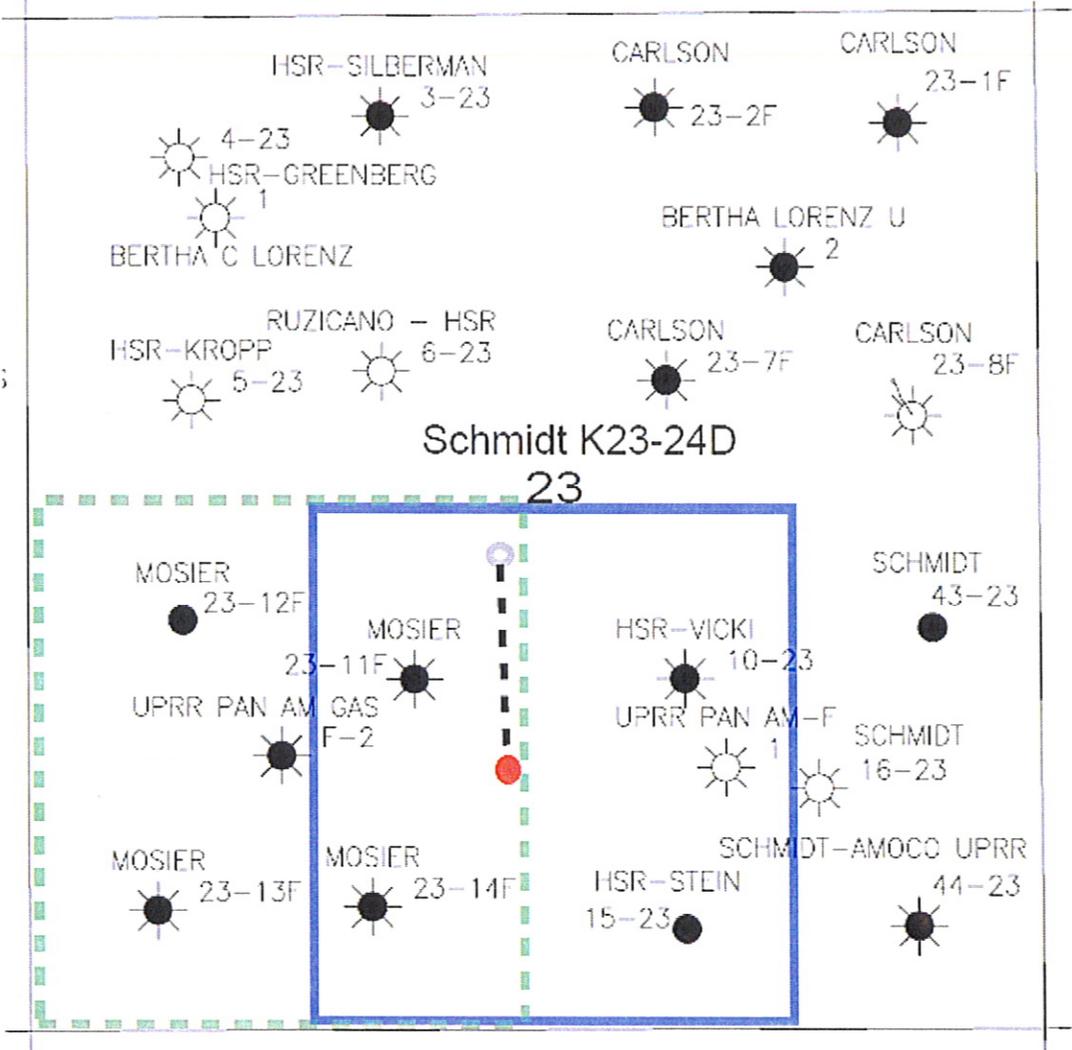
KERR-MCGEE OIL & GAS ONSHORE LP:

By: _____

Printed Name: _____

Date: _____

Schmidt K23-24D
SESW, Section 23, T4N, R66W



LEGEND

-  Proposed 160 acre Spacing Unit
 -  Bottom Hole Located SESW, Sec 23, T4N, R66W
- The governmental ¼ Section has less than 8 bottom hole wells producing from the Codell, Niobrara, & J-Sand Formations.

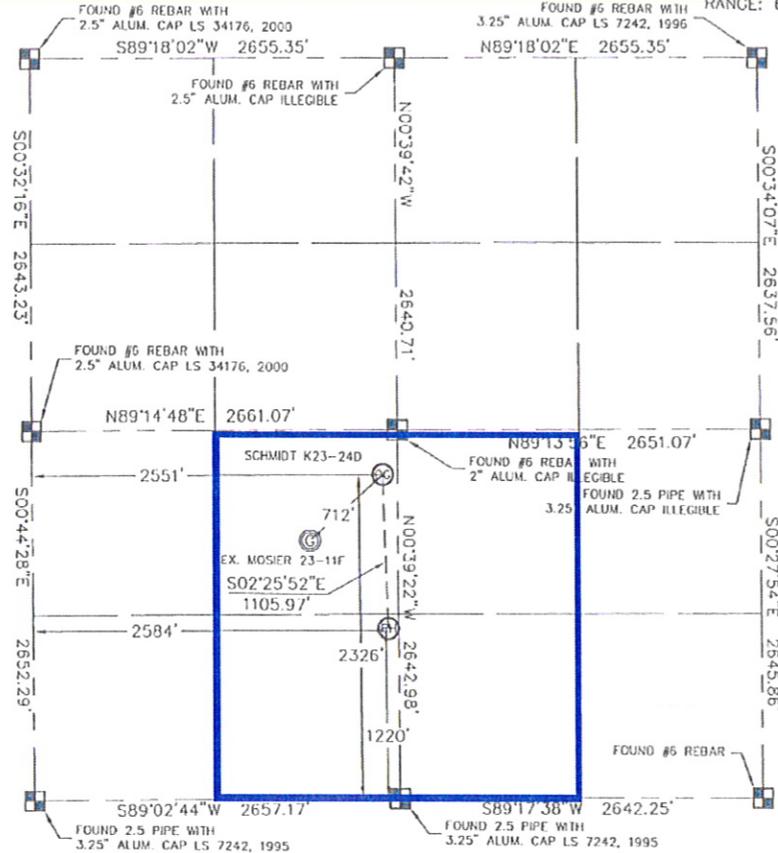
Proposed 318 Ae Spacing Unit

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

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION: 23
TOWNSHIP: 4N
RANGE: 66W



In accordance with a request from JOE MARTIN with Noble Energy Inc. King Surveyors Inc. has determined the surface location of the SCHMIDT K23-24D to be 2326' from the SOUTH line and 2551' from the WEST line and the bottom hole to be 1220' from the SOUTH line and 2584' from the WEST line as measured at right angles from the section line of Section 23, Township 4 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 9-23-09, for and on behalf of Noble Energy Inc. That this is not a Land Survey Plot or an Improvement Survey Plot, 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 lineal 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: MOSIER 23-11F 712' SOUTHWEST
- 4) IMPROVEMENTS: See VISIBLE IMPROVEMENTS exhibit for all visible improvements within 400' of well head.
- 5) SURFACE USE: PASTURE AND CROP FIELD

SURFACE LOCATION
LATITUDE: 40.296557N
LONGITUDE: 104.744837W
PDOP: 1.2
ELEV: 4726
1/4, 1/4: NE1/4SW1/4
NEAREST PROPERTY LINE: 109' EAST

BOTTOM HOLE
LATITUDE: 40.293517N
LONGITUDE: 104.744697W

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 hereon. (13-80-105 C.R.S.)

LEGEND

- = ALIQUOT MONUMENT AS DESCRIBED
- = CALCULATED POSITION

STEVEN A. LUND
2009
KING SURVEYORS, INC.
STEVEN A. LUND
LICENSED LAND SURVEYOR
NO. 34995
STATE OF COLORADO

PROJECT#: 2009323