

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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| DE | ET | OE | ES |
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Document Number:

400005470

Plugging Bond Surety

0

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: NOBLE ENERGY INC

4. COGCC Operator Number: 100322

5. Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

6. Contact Name: LINDA PAVELKA Phone: (303)228-4064 Fax: (303)228-4280
Email: lpavelka@nobleenergyinc.com

7. Well Name: RULISON FEDERAL Well Number: 20-32A

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

9. Proposed Total Measured Depth: 11045

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 20 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.425755 Longitude: -107.915455

Footage at Surface: 2179 FNL/FSL FNL 1134 FEL/FWL FWL

11. Field Name: RULISON Field Number: 75400

12. Ground Elevation: 7907 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 09/18/2008 PDOP Reading: 2.5 Instrument Operator's Name: RICHARD BULLEN

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
1454 FNL 1908 FEL 1477 FNL 1938 FEL
Sec: 20 Twp: 7S Rng: 94W Sec: 20 Twp: 7S Rng: 94W

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: 1268 ft

18. Distance to nearest property line: 862 ft 19. Distance to nearest well permitted/completed in the same formation: 330 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| ILES | ILES | 139-73 | 40 | SWNE |
| WILLIAMS FORK | WMFK | 139-73 | 40 | SWNE |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC67544

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#:

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 QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
PLEASE SEE ATTACHED OIL AND GAS LEASE

25. Distance to Nearest Mineral Lease Line: 1162 ft 26. Total Acres in Lease: 736

DRILLING PLANS AND PROCEDURES

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 Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 20 | 16 | LINE PIPE | 120 | 15 | 120 | 0 |
| SURF | 12+1/4 | 8+5/8 | 24# | 1,500 | 575 | 1,500 | 0 |
| 3RD | 7+7/8 | 4+1/2 | 11.6# | 11,035 | 730 | 11,035 | |

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments THIS WELL IS IN THE RULISON TIER 2, DOE NOTICE LETTER WAS SENT ON 9/17/09- RETURN RECEIPT ATTACHED, THE PRODUCTION CASING CEMENT TOP WILL BE 200' ABOVE TOG, THIS WELL IS PART OF THE LONG 20F PAD

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☒ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: LINDA PAVELKA

Title: REGULATORY MANAGER Date: 9/29/2009 Email: lpavelka@nobleenergyinc.com

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. Neslin Director of COGCC Date: 12/11/2009

API NUMBER

05 045 18930 00

Permit Number: _____ Expiration Date: 12/10/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL david.Andrews@state.co.us GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

PERFORM A HIGH-ACCURACY GYROSCOPIC DIRECTIONAL WELLBORE SURVEY UPON REACHING TOTAL DEPTH OF THE WELL. E-MAIL A COPY OF THE SURVEY ALONG WITH A SUNDRY NOTICE, FORM 4, REQUESTING APPROVAL TO DAVID.ANDREWS@STATE.CO.US THE DIRECTIONAL DRILLING SURVEY REPORT SHALL INCLUDE A MAP VIEW AND A VERTICAL PROFILE VIEW SHOWING WELLBORE TRAJECTORY AND DISTANCE FROM THE ½-MILE RADIUS FROM PROJECT RULISON. THE OPERATOR SHALL OBTAIN APPROVAL FROM THE COGCC PRIOR TO COMMENCING CASING-PERFORATING AND OTHER COMPLETION OPERATIONS. COMPLY WITH ALL DOE OFFICE OF LEGACY MANAGEMENT REQUESTS FOR SAMPLING AND ANALYSIS OF NATURAL GAS AND OTHER MATERIALS ASSOCIATED WITH DRILLING AND PRODUCTION.

CEMENT-TOP VERIFICATION BY CBL REQUIRED. FLOWBACK TO TANKS ONLY. SUBMIT A SECONDARY AND TERTIARY CONTAINMENT PLAN VIA SUNDRY NOTICE FORM 4 FOR THE TANKS. ATTN: CHRIS CANFIELD. OBTAIN APPROVAL OF THE PLAN PRIOR TO FLOWBACK. SPUD NOTICE MUST IDENTIFY IF THE WELL IS LOCATED IN TIER I OR TIER II OF THE APPROVED RULISON SAMPLING AND ANALYSIS PLAN. OPERATOR SHALL PROVIDE COMPLETE WELL-SPECIFIC EMERGENCY CONTACT INFORMATION TO THE COGCC AREA ENGINEER IN THE SPUD NOTICE PRIOR TO SPUDDING THE WELL. PRODUCED WATER FROM THIS LOCATION MAY NOT BE TRANSPORTED TO OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. DRILL SOLIDS AND CUTTINGS FROM THIS LOCATION MAY NOT BE TRANSPORTED TO, DISPOSED OF, OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. A CLOSED-LOOP MUD SYSTEM SHALL BE UTILIZED TO ENSURE CONTAINMENT OF ALL MATERIALS THAT HAVE BEEN IN CONTACT WITH DOWNHOLE STRATA AND FLUIDS. ALL CUTTINGS AND FRESH MAKE-UP WATER STORAGE PITS SHALL BE LINED TO ENSURE CONTAINMENT. CONTOUR FEATURES, FRENCH DRAINS, AND OTHER STORMWATER BMPs AS NECESSARY SHALL BE EMPLOYED TO ENSURE SITE INTEGRITY. NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN ONE RIG WITHIN ONE MILE OF THE PROJECT RULISON BLAST SITE AT ANY GIVEN TIME AND NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN TWO RIGS WITHIN A THREE MILE RADIUS OF THE SITE AT ANY GIVEN TIME. THE TOTAL NUMBER OF RIGS ALLOWED BY ALL OPERATORS WITHIN THREE MILES OF THE SITE SHALL BE LIMITED TO FIVE AT ANY GIVEN TIME.

OPERATOR SHALL COMPLY WITH ALL PROVISIONS OF THE MOST RECENT COGCC-APPROVED REVISION OF THE RULISON SAMPLING AND ANALYSIS PLAN. IN ADDITION TO THE PRODUCED-WATER SAMPLING AND ANALYSIS OUTLINED IN SECTION 5.8 OF THE PLAN, THE OPERATOR SHALL ALSO OBTAIN AND ANALYZE PRODUCED-WATER SAMPLES ON WELLS DESCRIBED IN THE PLAN FOR CONSTITUENTS LISTED IN THE PLAN USING THE SPECIFIC METHOD WHERE APPLICABLE. THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 150 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 1637548 | CORRESPONDENCE | LF@2170180 1637548 |
| 400005685 | WELL LOCATION PLAT | LF@2164079 400005685 |
| 400005686 | TOPO MAP | LF@2164080 400005686 |
| 400005687 | SURFACE AGRMT/SURETY | LF@2164081 400005687 |
| 400005688 | 30 DAY NOTICE LETTER | LF@2164082 400005688 |
| 400005689 | DEVIATED DRILLING PLAN | LF@2164083 400005689 |
| 400005811 | CORRESPONDENCE | LF@2164084 400005811 |
| 400005812 | OIL & GAS LEASE | LF@2164085 400005812 |
| 400005813 | FED. DRILLING PERMIT | LF@2164086 400005813 |
| 400007480 | FORM 2 SUBMITTED | LF@2164087 400007480 |

Total Attach: 10 Files