

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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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

Refilling
Sidetrack

Document Number:
1698566
Plugging Bond Surety
20010124

3. Name of Operator: KERR-MCGEE OIL & GAS ONSHORE LP 4. COGCC Operator Number: 47120
5. Address: P O BOX 173779
City: DENVER State: CO Zip: 80217-3779
6. Contact Name: CHERYL LIGHT Phone: (720)929-6000 Fax: (720)929-7461
Email: DJREGULATORY@ANADARKO.COM
7. Well Name: GRAY Well Number: 3-16
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 7820

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 16 Twp: 4N Rng: 67W Meridian: 6
Latitude: 40.317942 Longitude: -104.897747
Footage at Surface: 746 FNL/FSL FNL 2280 FEL/FWL FWL
11. Field Name: WATTENBERG Field Number: 90750
12. Ground Elevation: 4825 13. County: WELD

14. GPS Data:
Date of Measurement: 02/10/2009 PDOP Reading: 2.3 Instrument Operator's Name: CODY MATTSON

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
Footage at Top of Prod Zone: FNL/FSL 686 FNL 2010 FWL 697 FNL 2010 FWL
Bottom Hole: FNL/FSL 697 FNL 2010 FWL
Sec: 16 Twp: 4N Rng: 67W Sec: 16 Twp: 4N Rng: 67W

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: 1390 ft
18. Distance to nearest property line: 428 ft 19. Distance to nearest well permitted/completed in the same formation: 1320 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.)
J SAND	JSND	232	320	N/2

21. Mineral Ownership: Fee State Federal Indian Lease #: 91-8125-S

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 Bon \$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):
 NW/4 OF SEC. 16: T4N-67W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 160

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
SURF	12+1/4	8+5/8	24	725	295	725	12
1ST	7+7/8	4+1/2	11.6	7,809	888	7,809	2,950

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

33. Comments _____

34. Location ID: 332796

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: CHERYL LIGHT

Title: REGULATORY Date: 6/1/2010 Email: DJREGULATORY@ANADARK

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. Nashin Director of COGCC Date: 6/25/2010

API NUMBER
 05 123 26917 00

Permit Number: _____ Expiration Date: 6/24/2012

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.

Attachment Check List

Att Doc Num	Name	Doc Description
1698566	APD ORIGINAL	LF@2484448 1698566
1698568	30 DAY NOTICE LETTER	LF@2484450 1698568
1698569	SURFACE AGRMT/SURETY	LF@2484451 1698569
2099755	OTHER	LF@2484449 2099755

Total Attach: 4 Files