

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 ☐

Refiling ☐
Sidetrack ☐

Document Number:

400110251

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)929-6461 Fax: (720)929-7461

Email: CHERYL.LIGHT@ANADARKO.COM

7. Well Name: DECHANT Well Number: 3-19HZ

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

9. Proposed Total Measured Depth: 11648

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 19 Twp: 2N Rng: 64W Meridian: 6

Latitude: 40.117717 Longitude: -104.601552

Footage at Surface: 374 feet FNL/FSL FSL 342 feet FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4981 13. County: WELD

14. GPS Data:

Date of Measurement: 11/02/2010 PDOP Reading: 1.7 Instrument Operator's Name: CHRIS PEARSON

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

Footage at Top of Prod Zone: FNL/FSL 799 FSL 1900 FEL/FWL 460 FNL 1900 FEL/FWL FWL
Sec: 19 Twp: 2N Rng: 64W Sec: 19 Twp: 2N Rng: 64W

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: 318 ft

18. Distance to nearest property line: 24 ft 19. Distance to nearest well permitted/completed in the same formation: 3111 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.)
NIOBRARA	NBRR		320	W/2

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#: 20010125

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):
SEE ATTACHED OIL AND GAS LEASE

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 5738

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	40		970	437	970	
1ST	8+3/4	7	26		7,639	760	7,639	
1ST LINER	6+1/8	4+1/2	11.6	6889	11,648		11,648	

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

33. Comments NO CONDUCTOR CASING WILL BE USED. Kerr McGee requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Waiver attached. Kerr McGee requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line. Waiver attached.

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: CHERYL LIGHT

Title: SR. REGULATORY ANALYST Date: 11/19/2010 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. Neslin Director of COGCC Date: 12/31/2010

API NUMBER

05 123 32797 00

Permit Number: _____ Expiration Date: 12/30/2012

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.

Note surface casing setting depth change from 900' to 970'. Increase cement coverage accordingly and cement to surface.

- 1) Provide 24 hr notice of spud to Jim Precup at 303-469-1902 or e-mail at jim.precup@state.co.us.
- 2) Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.
- 3) If completed, provide cement coverage from the intermediate casing shoe to a minimum of 200' above Niobrara. Verify cement with a cement bond log.
- 4) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400110251	FORM 2 SUBMITTED
400110274	DEVIATED DRILLING PLAN
400110275	OIL & GAS LEASE
400110276	30 DAY NOTICE LETTER
400110277	PLAT
400110278	TOPO MAP
400110279	EXCEPTION LOC WAIVERS
400110335	WAIVERS
400110336	EXCEPTION LOC REQUEST
400110337	VARIANCE REQUEST

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Reveiw with director not necessary	11/22/2010 12:25:41 PM
Permit	On Hold pending reveiw with director if reveiw is necessary.	11/22/2010 12:02:11 PM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)