

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:

400154014

Plugging Bond Surety

20010124

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: 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: REBECCA HEIM Phone: (720)929-6361 Fax: (720)929-7361

Email: rebecca.heim@anadarko.com

7. Well Name: GUERRERO Well Number: 23-7

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

9. Proposed Total Measured Depth: 8432

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 7 Twp: 2N Rng: 65W Meridian: 6

Latitude: 40.147334 Longitude: -104.713888

Footage at Surface: 519 feet FNL/FSL 542 feet FEL/FWL
FSL FWL

11. Field Name: WATTENBERG Field Number: _____

12. Ground Elevation: 4986 13. County: WELD

14. GPS Data:

Date of Measurement: 07/29/2010 PDOP Reading: 1.8 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 1320 FSL 2540 FWL 1320 FSL 2540 FWL
Bottom Hole: FNL/FSL 1320 FSL 2540 FWL
Sec: 7 Twp: 2N Rng: 65W Sec: 7 Twp: 2N Rng: 65W

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: 260 ft

18. Distance to nearest property line: 156 ft 19. Distance to nearest well permitted/completed in the same formation: 1204 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 | GWA |
| NIOBRARA-CODELL | NB-CD | 407 | 160 | GWA |

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 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):
PLEASE SEE ATTACHED OGL.

25. Distance to Nearest Mineral Lease Line: 1280 ft 26. Total Acres in Lease: 5725

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☒ Offsite ☐ Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 800 | 560 | 800 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,432 | 200 | 8,432 | |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. UNIT CONFIGURATION: NB-CD E/2SW/4; W/2SE/4; JSND S/2

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: REBECCA HEIM

Title: REGULATORY ANALYST II Date: 5/3/2011 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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

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Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400154014 | FORM 2 SUBMITTED |
| 400154043 | 30 DAY NOTICE LETTER |
| 400154044 | DEVIATED DRILLING PLAN |
| 400154045 | PLAT |
| 400154046 | PROPOSED SPACING UNIT |
| 400154052 | TOPO MAP |
| 400161737 | OIL & GAS LEASE |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
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Total: 0 comment(s)