

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		DE ET OE ES
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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:
 400153364
 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: REBECCA HEIM Phone: (720)929-6361 Fax: (720)929-7361
 Email: rebecca.heim@anadarko.com

7. Well Name: STREAR Well Number: 23-10

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

9. Proposed Total Measured Depth: 8485

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 10 Twp: 2N Rng: 67W Meridian: 6
 Latitude: 40.146973 Longitude: -104.869640

Footage at Surface: FNL/FSL FEL/FWL
581 feet FSL 674 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4962 13. County: WELD

14. GPS Data:

Date of Measurement: 09/08/2010 PDOP Reading: 1.5 Instrument Operator's Name: BEN MILIUS

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
1315 FSL 2580 FWL 1315 FSL 2580 FWL
 Sec: 10 Twp: 2N Rng: 67W Sec: 10 Twp: 2N 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: 365 ft

18. Distance to nearest property line: 603 ft 19. Distance to nearest well permitted/completed in the same formation: 655 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		160	GWA
NIOBRARA-CODELL	NB-CD	407-431	160	GWA

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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#: _____
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 OGL.
25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 1080

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	660	462	660	0
1ST	7+7/8	4+1/2	11.6	0	8,485	200	8,485	

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments **NO CONDUCTOR CASING WILL BE USED. UNIT CONFIGURATION: NB-CD & JSND W/2SE/4; E/2SW/4. PENDING COMMISSION HEARING ON MAY 16, 2011.**

34. Location ID: 317549
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: 4/28/2011 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: David S. Neslin Director of COGCC Date: 6/29/2011

API NUMBER: **05 123 33798 00** Permit Number: _____ Expiration Date: 6/28/2013

CONDITIONS OF APPROVAL, IF ANY: _____

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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.

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.
- 3) 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
400153364	FORM 2 SUBMITTED
400153367	DEVIATED DRILLING PLAN
400153368	30 DAY NOTICE LETTER
400153369	PLAT
400153370	PROPOSED SPACING UNIT
400153371	TOPO MAP
400153372	SURFACE AGRMT/SURETY
400153482	OIL & GAS LEASE

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Added new spacing order 407-431 for NB-CD allowing 9 completions in the SE¼ of Section 10, Township 2 North, Range 67 West.	6/29/2011 2:40:47 PM
Permit	ON HOLD: 1105-EX-02 continued to June hearing.	5/20/2011 9:17:39 AM
Permit	SPACING PENDING COMMISSION HEARING ON MAY 16, 2011.	4/29/2011 1:41:17 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)