

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	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:  
 400167155

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: POWERS      Well Number: 1N-23HZ

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 11464

**WELL LOCATION INFORMATION**

10. QtrQtr: SWSE      Sec: 23      Twp: 2N      Rng: 65W      Meridian: 6  
 Latitude: 40.117417      Longitude: -104.627290

Footage at Surface:      225 feet      FSL      1549 feet      FEL

11. Field Name: WATTENBERG      Field Number: 90750

12. Ground Elevation: 4909      13. County: WELD

14. GPS Data:  
 Date of Measurement: 03/28/2011      PDOP Reading: 2.1      Instrument Operator's Name: OWEN McKEE

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

770      FSL      805      FEL      460      FNL      840      FEL

Sec: 23      Twp: 2N      Rng: 65W      Sec: 23      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: 282

18. Distance to nearest property line: 225 ft      19. Distance to nearest well permitted/completed in the same formation: 2303 ft

**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	407	160	E/2E/2

**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#: 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):  
PLEASE SEE ATTACHED OGL  
25. Distance to Nearest Mineral Lease Line: 460 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 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	9+5/8	36	0	920	250	920	0
1ST	8+3/4	7	26	0	7,424	720	7,424	
2ND	6+1/8	4+1/2	11.6	0	11,464	0	11,464	6,174

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.

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: 5/20/2011 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. Nash Director of COGCC Date: 7/14/2011

**API NUMBER**  
05 123 33953 00  
Permit Number: \_\_\_\_\_ Expiration Date: 7/13/2013  
**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.

- 1) Note surface casing setting depth change from 750' to 920'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 48 hour notice of MIRU to Jim Precup at 303-726-3822 or e-mail at jim.precup@state.co.us.
- 3) Comply with Rule 317.i and provide cement coverage from end of production casing to a minimum of 200' above the Niobrara. Verify coverage with cement bond log.
- 4) Comply with Rule 321. Run and submit Directional Survey from end of production casing 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
1771031	SURFACE CASING CHECK
2530737	PROPOSED SPACING UNIT
400167155	FORM 2 SUBMITTED
400167156	OIL & GAS LEASE
400167157	OIL & GAS LEASE
400167158	30 DAY NOTICE LETTER
400167159	DEVIATED DRILLING PLAN
400167160	PLAT
400167161	TOPO MAP
400167162	WAIVERS
400167163	EXCEPTION LOC REQUEST

Total Attach: 11 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Updated permit with new proposed spacing unit attachments.	6/9/2011 9:40:58 AM
Permit	On hold waiting verification that the a pproposed spacing unit map and is not necessary.	5/23/2011 6:21:06 AM

Total: 2 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>
Drilling/Completion Operations	During the fracing of this Powers horizontal well, Kerr-McGee will monitor the casing pressure of the existing UPRR 62 PAN AM Unit I1 and UPRR 62 PAN AM E2 wells for a period of 24-hours and report this casing pressure to the COGCC staff via a sundry.

Total: 1 comment(s)