

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 COMMINGLE

Refiling
Sidetrack

Document Number:

400228845

PluggingBond SuretyID

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: HIDDEN CREEK Well Number: 12-29

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

9. Proposed Total Measured Depth: 8644

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 29 Twp: 2N Rng: 67W Meridian: 6
Latitude: 40.108253 Longitude: -104.916544

Footage at Surface: 2241 feet FSL 2039 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5029 13. County: WELD

14. GPS Data:

Date of Measurement: 02/23/2011 PDOP Reading: 2.2 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 _____
1980 FSL 660 FWL 1980 FSL 660 FWL
Sec: 29 Twp: 2N Rng: 67W Sec: 29 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: 1965 ft

18. Distance to nearest property line: 380 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1136 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.)
DAKOTA	DKTA	499	320	W/2
J SAND	JSND	232	320	W/2
NIOBRARA CODELL	NB-CD	407	160	E/2SW/4

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 Oil and Gas Lease.

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 400

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	0	850	595	850	
1ST	7+7/8	4+1/2	11.6	0	8,644	200	8,644	

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

33. Comments No conductor casing will be used. The surface location of this well is an exception to Rule 318A.a and to Rule 318A.c. This well is not within the GWA surface location window and does not meet the twinning requirement due to the number of wells planned for this area and at the request of the surface owner. An exception location request letter and signed waivers are attached to the Form 2 and Form 2A. Operator requests omission of open hole logs.

34. Location ID: 318214

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: 1/9/2012 Email: DJRegulatory@anadarko.com

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. Nesline Director of COGCC Date: 2/10/2012

API NUMBER

05 123 35050 00

Permit Number: _____ Expiration Date: 2/9/2014

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) Provide 24 hour notice of MIRU to Mike Hickey by e-mail at Mike.Hickey@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.

Operator must meet water well testing requirements per Rule 318A.

Attachment Check List

Att Doc Num	Name
400228845	FORM 2 SUBMITTED
400228849	DEVIATED DRILLING PLAN
400228850	PLAT
400228851	TOPO MAP
400228853	30 DAY NOTICE LETTER
400228854	SURFACE AGRMT/SURETY
400228855	OIL & GAS LEASE
400228856	EXCEPTION LOC REQUEST
400228857	EXCEPTION LOC WAIVERS
400238635	OTHER
400238639	DIRECTIONAL DATA
400238697	DIRECTIONAL DATA

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed spacing to 80 acres E/2SW/4 per operator. Final Review Completed. No LGD or public comment received.	2/6/2012 3:52:37 PM
Permit	ON HOLD: requesting confirmation of spacing.	1/31/2012 10:31:14 AM
Permit	Okay to pass pending public comment 1/30/12.	1/17/2012 2:25:47 PM
Permit	Operator 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. Request and waivers attached.	1/17/2012 2:22:42 PM
Permit	Operator requests omission of open hole logs.	1/17/2012 2:22:28 PM
Permit	Operator corrected BHL. This form has passed completeness.	1/10/2012 8:33:01 AM
Permit	Returned to draft. Typo on BHL.	1/10/2012 7:55:56 AM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)