

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

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: MILLENSIFER FED Well Number: 15C-30HZ
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 11873

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 30 Twp: 3N Rng: 66W Meridian: 6
 Latitude: 40.201610 Longitude: -104.818037
 Footage at Surface: 472 feet FNL 2069 feet FEL
 11. Field Name: WATTENBERG Field Number: 90750
 12. Ground Elevation: 4827 13. County: WELD

14. GPS Data:
 Date of Measurement: 02/17/2012 PDOP Reading: 2.7 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
623 FNL 1985 FEL 460 FSL 1990 FEL
 Sec: 30 Twp: 3N Rng: 66W Sec: 30 Twp: 3N Rng: 66W

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: 462 ft
 18. Distance to nearest property line: 445 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 178 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.)
CODELL	CODL		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#: _____
 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):

Horizontal wellbore will produce from multiple leases, please see attached Lease Description. CO-000010418 (base 112.10 acres), CO-000010859 (base 79.07 acres).

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 191

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	13+1/2	9+5/8	36.0	0	700	520	700	0
1ST	8+3/4	7	26.0	0	7,641	770	7,641	0
1ST LINER	6+1/8	4+1/2	11.6	6598	11,873			

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

33. Comments No conductor casing will be used. Unit Configuration: Sec. 30:W/2E/2. Operator will run open hole logs into the surface casing on the first well drilled on this pad.

34. Location ID: 330954

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: 9/28/2012 Email: DJRegulatory@anadarko.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 10/31/2012

API NUMBER
05 123 36255 00

Permit Number: _____ Expiration Date: 10/30/2014

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.

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

- 1) Provide notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the 7" casing TD to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

Attachment Check List

Att Doc Num	Name
1695247	LEGAL/LEASE DESCRIPTION
2172589	SURFACE CASING CHECK
400331284	FORM 2 SUBMITTED
400331285	DEVIATED DRILLING PLAN
400331287	WELL LOCATION PLAT
400331288	TOPO MAP
400331289	30 DAY NOTICE LETTER
400331290	SURFACE AGRMT/SURETY
400331292	PROPOSED SPACING UNIT
400331293	OTHER
400331912	DIRECTIONAL DATA

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	10/29/2012 9:10:56 AM
Permit	Attached Lease description and changed total acres from 316 to 191.17 acres. CO-000010418 (base 112.10 acres), CO-000010859 (base 79.07 acres) per operator. ok to pass.	10/17/2012 9:51:03 AM
Permit	Operator's request for omission of open hole logs.	10/15/2012 2:44:45 PM
Permit	Changed distance to nearest well from 14' to 178'; per operator. Added Operator's request for omission of open hole logs to operator comments. Removed Niobara and Carlile formation per operator. Requested confirmation of lease description and total acres.	10/15/2012 2:44:32 PM
Permit	Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 460'.	10/15/2012 2:44:29 PM
Engineer	Offset wells within 300 feet of wellbore checked for adequate casing.	10/15/2012 12:44:37 PM
Permit	This form passed completeness.	10/2/2012 2:59:28 PM

Total: 7 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	"Prior to drilling operations, Operator may perform an anti-collision review of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision review may include MWD or gyro surveys and surface locations of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well may only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5, or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as is appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, the environment or property. For the proposed well, upon conclusion of drilling operations, an as-constructed directional survey will be submitted to COGCC with the Form 5."
Drilling/Completion Operations	Kerr McGee acknowledges and will comply with the COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 2 comment(s)