

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400353688

Date Received:

12/04/2012

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

PluggingBond SuretyID

3. Name of Operator: NOBLE ENERGY INC

4. COGCC Operator Number: 100322

5. Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

6. Contact Name: Liz Lindow Phone: (303)228-4342 Fax: (303)228-4286

Email: llindow@nobleenergyinc.com

7. Well Name: Rulison Federal Well Number: 19-41B (17M)

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

9. Proposed Total Measured Depth: 10318

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 17 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.433296 Longitude: -107.917791

Footage at Surface: 568 feet FNL/FSL 476 feet FEL/FWL FWL

11. Field Name: Rulison Field Number: 75400

12. Ground Elevation: 7564 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 06/18/2012 PDOP Reading: 1.6 Instrument Operator's Name: Ronald Rennke

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
462 FNL 584 FEL 462 FNL 584 FEL
Sec: 19 Twp: 7S Rng: 94W Sec: 19 Twp: 7S Rng: 94W

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: 4187 ft

18. Distance to nearest property line: 468 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 294 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Iles | ILES | 139-73 | 40 | NENE |
| Williams Fork | WMFK | 139-73 | 40 | NENE |

21. Mineral Ownership: Fee State Federal Indian Lease #: COC66921

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):

Mineral lease map attached on original permit

25. Distance to Nearest Mineral Lease Line: 462 ft 26. Total Acres in Lease: 736

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: closed loop

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 |
|-------------|--------------|----------------|-----------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 20 | 16 | Line Pipe | 0 | 100 | 80 | 100 | 0 |
| SURF | 12+1/4 | 8+5/8 | 32 | 0 | 1,500 | 545 | 1,500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 10,318 | 450 | 10,318 | |

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

33. Comments The production casing top of cement will be 200 feet above top of gas. The surface casing setting depth and cement bottom was changed to 1500 feet as approved by the BLM. All conditions are the same as prior approved permit. This well is part of the Rulison 17M Pad. The pad has been built. This re-file will not require any expansion/additional surface disturbance of the pad. The pad is located in Project Rulison 3-Mile Radius Tier II. DOE was notified 1/30/09. A closed loop pitless system will be used for this APD. This location does not require a variance from any of the rules listed in COGCC Rule 306.d(1).A().(ii). This pad is not in a wildlife restricted surface occupancy area. This location is in a Sensitive Wildlife Habitat, however, a Wildlife Mitigation Plan was executed with the CDOW on May 24th, 2010, that specifically covers this pad and it is valid for six years.

34. Location ID: 414152

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: Liz Lindow

Title: Regulatory Analyst Date: 12/4/2012 Email: llindow@nobleenergyinc.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: 12/31/2012

API NUMBER Permit Number: _____ Expiration Date: 12/30/2014

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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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.
- (2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS IS REQUIRED.
- (3) COMPLY WITH ALL DOE OFFICE OF LEGACY MANAGEMENT REQUESTS FOR SAMPLING AND ANALYSIS OF NATURAL GAS AND OTHER MATERIALS ASSOCIATED WITH DRILLING AND PRODUCTION.
- (4) FLOWBACK TO TANKS ONLY. SUBMIT A SECONDARY AND TERTIARY CONTAINMENT PLAN VIA SUNDRY NOTICE FORM 4 FOR THE TANKS. SUBMIT VIA EMAIL TO RULISON.SUBMITTAL@STATE.CO.US. OBTAIN APPROVAL OF THE PLAN PRIOR TO FLOWBACK.
- (5) EMAIL NOTIFICATION SHALL BE SENT TO COGCC FIELD INSPECTION STAFF, AT THE TIME OF SPUD NOTICE, TO IDENTIFY THE WELL'S LOCATION WITH RESPECT TO BOTH THE SECTOR AND TIER AS DEFINED BY THE RULISON SAMPLING AND ANALYSIS PLAN. EMAIL: Shaun.Kellerby@state.co.us, Mike.Longworth@state.co.us, and Rulison.Submittal@state.co.us
- (6) OPERATOR SHALL PROVIDE COMPLETE WELL-SPECIFIC EMERGENCY CONTACT INFORMATION TO THE COGCC AREA INSPECTOR, VIA EMAIL, PRIOR TO SPUDDING THE WELL. EMAIL: Shaun.Kellerby@state.co.us, Mike.Longworth@state.co.us, and Rulison.Submittal@state.co.us
- (7) PRODUCED WATER FROM THIS LOCATION MAY NOT BE TRANSPORTED TO OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP.
- (8) DRILL SOLIDS AND CUTTINGS FROM THIS LOCATION MAY NOT BE TRANSPORTED TO, DISPOSED OF, OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP.
- (9) A CLOSED-LOOP MUD SYSTEM SHALL BE UTILIZED TO ENSURE CONTAINMENT OF ALL MATERIALS THAT HAVE BEEN IN CONTACT WITH DOWNHOLE STRATA AND FLUIDS. ALL CUTTINGS AND FRESH MAKE-UP WATER STORAGE PITS SHALL BE LINED TO ENSURE CONTAINMENT. CONTOUR FEATURES, FRENCH DRAINS, AND OTHER STORMWATER BMPS AS NECESSARY SHALL BE EMPLOYED TO ENSURE SITE INTEGRITY.
- (10) NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN ONE RIG WITHIN ONE MILE OF THE PROJECT RULISON BLAST SITE AT ANY GIVEN TIME AND NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN TWO RIGS WITHIN A THREE MILE RADIUS OF THE SITE AT ANY GIVEN TIME. THE TOTAL NUMBER OF RIGS ALLOWED BY ALL OPERATORS WITHIN THREE MILES OF THE SITE SHALL BE LIMITED TO FIVE AT ANY GIVEN TIME.
- (11) OPERATOR SHALL COMPLY WITH ALL PROVISIONS OF THE MOST RECENT COGCC-APPROVED REVISION OF THE RULISON SAMPLING AND ANALYSIS PLAN. IN ADDITION TO THE PRODUCED-WATER SAMPLING AND ANALYSIS OUTLINED IN SECTION 5.8 OF THE PLAN, THE OPERATOR SHALL ALSO OBTAIN AND ANALYZE PRODUCED-WATER SAMPLES ON WELLS DESCRIBED IN THE PLAN FOR CONSTITUENTS LISTED IN THE PLAN USING THE SPECIFIC METHOD WHERE APPLICABLE.

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|----------------------|
| 400353688 | FORM 2 SUBMITTED |
| 400353717 | H2S CONTINGENCY PLAN |
| 400353719 | WELL LOCATION PLAT |

Total Attach: 3 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|---------------------------|
| Permit | Corrected #17 to 4187' per oper. Corrected lease acres per oper. Corrected dist. to prop. line per oper. No LGD or public comments. Final Review--passed. | 12/31/2012 9:42:10 AM |
| LGD | Passed DB | 12/27/2012 10:46:18 AM |
| Permit | Built pad with 8 producing wells. Rulison Tier II--DOE notified 1/30/2009. | 12/17/2012 2:41:38 PM |
| Engineer | THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 150 FEET DEEP. | 12/11/2012 12:55:36 PM |
| Permit | operator removed 30 day notice letter from attachments. This form passed completeness. | 12/10/2012 10:32:13 PM |
| Permit | Return to draft: 1. 30 day notice letter does not reference this well (19-41B). | 12/4/2012 2:02:55 PM |

Total: 6 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
| | |

Total: 0 comment(s)