

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



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01/17/2013

PluggingBond SuretyID

20030009

## 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: NOBLE ENERGY INC

4. COGCC Operator Number: 100322

5. Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

6. Contact Name: MARI CLARK Phone: (303)228-4413 Fax: (303)228-4286

Email: mclark@nobleenergyinc.com

7. Well Name: WELL RANCH AE Well Number: 08-69HN

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

9. Proposed Total Measured Depth: 11263

## WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 6 Twp: 6N Rng: 62W Meridian: 6

Latitude: 40.511740 Longitude: -104.356350

Footage at Surface: 1210 feet FNL/FSL 107 feet FEL/FWL  
 FSL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4945 13. County: WELD

## 14. GPS Data:

Date of Measurement: 07/13/2012 PDOP Reading: 1.3 Instrument Operator's Name: ADAM KELLY

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  
 102 FSL 724 FWL 1 FSL 535 FEL  
 Sec: 5 Twp: 6N Rng: 62W Sec: 5 Twp: 6N Rng: 62W

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: 4118 ft

18. Distance to nearest property line: 107 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 281 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.)
Niobrara	NBRR		320	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: \_\_\_\_\_22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☒ No23b. 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):

T6N, R62W SEC. 5: SW/4SW/4

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 40

### 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
CONDUCTOR	18+1/2	16+0/0		0	100	6	100	0
SURF	13+3/4	9+5/8	36	0	570	270	570	0
1ST	8+3/4	7+0/0	26	0	7,244	490	7,244	
1ST LINER	6+1/8	4+1/2	11.6	7094	11,263			

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

33. Comments 1ST STRING TOP OF CEMENT = 200' ABOVE NIOBRARA. THE PRODUCTION LINER WILL BE HUNG OFF INSIDE 7" CASING. HORIZONTAL WELLBORE WILL PRODUCE FROM MULTIPLE LEASES. SEE # 24 LEASE DESC. UNIT CONFIGURATION =S/2S/2 SEC. 5 & N/2N/2 SEC. 8. WELL IS TO BE TWINNED WITH PROPOSED WELLS RANCH AE05-62-1HN, 63-1HN, 63HN, 64-1HN, & EXISTING WELLS RANCH AE06-62-1HN, 63-1HN, 64-1HN, & 65-1HN CREATING A 9 WELL PAD. EXCEPTION LOCATION TO RULE 318A.a, and 318A.c & 603.a.(2) REQUESTED AND ATTACHED.

34. Location ID: 428890

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: MARI CLARK

Title: REGULATORY ANALYST II Date: 1/17/2013 Email: mclark@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: 2/13/2013

#### API NUMBER

05 123 36769 00

Permit Number: \_\_\_\_\_ Expiration Date: 2/12/2015

#### 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 48 hour notice of spud via electronic Form 42.
- 2) Set at least 570' of surface casing. Cement to surface.
- 3) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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.

COA's for option 2:

- 1) After the proposed well has been drilled to TD, the operator shall submit a Sundry Notice Form 4 detailing the treatment plan and the segment of the borehole to be excluded from the treatment.
  - a. Sundry Notice shall be submitted at least ten (10) days prior to the hydraulic fracture treatment.
  - b. Required attachment: Directional survey
  - c. Required information: Specific details of wellbore segment being excluded from treatment.
  - d. Sundry Notice shall be submitted via email to the appropriate engineer and engineering supervisor.
  - e. Sundry Notice approval is required prior to hydraulic fracture treatment.
- 2) Operator shall clearly report wellbore segment excluded from treatment on Form 5A.

### **Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

### **Attachment Check List**

Att Doc Num	Name
2485376	SURFACE CASING CHECK
400346330	FORM 2 SUBMITTED
400356857	DIRECTIONAL DATA
400370399	30 DAY NOTICE LETTER
400370400	DEVIATED DRILLING PLAN
400370401	EXCEPTION LOC REQUEST
400370402	EXCEPTION LOC WAIVERS
400370403	WELL LOCATION PLAT
400370404	PROPOSED SPACING UNIT
400370405	SURFACE AGRMT/SURETY

Total Attach: 10 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Final Review Completed. No LGD or public comment received.	2/13/2013 9:13:55 AM
Engineer	Received response from Mclark@nobleenergyinc.com: Noble Engineering has selected Option 2: Operator will exclude the segment of the proposed wellbore within 500' of the existing well from the hydraulic fracture treatment. Removed hold.	2/11/2013 3:47:21 PM
Engineer	On-Hold: Evaluated for existing wells within 500' of proposed directional. Emailed operator [NOBLE ENERGY INC], [mclark@nobleenergyinc.com], [2/1/13] The following wells within 500' of the proposed directional plan do not have adequate aquifer or Niobrara isolation: FRED RHODES #1, 123-05248, SWSW 5-6N-62W and ROEDER #1, 123-07372, SESE 5-6N-62W Please reply and provide your selected mitigation option.	2/1/2013 12:06:31 PM
Permit	Initial review complete.	1/30/2013 10:52:21 AM
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.	1/30/2013 10:52:20 AM
Permit	Operator requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line. Request letter and waivers attached.	1/30/2013 10:52:19 AM
Permit	Horizontal well crosses lease lines within GWA horizontal wellbore unit; distance to lease line is 0'; distance to unit boundary is 535'.	1/30/2013 10:52:17 AM
Permit	Per operator corrected surface and minerals information.	1/24/2013 2:56:48 PM

Total: 8 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public and Environment (CDPHE) General Permit No. COR-038637. BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.
General Housekeeping	Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each work day. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pickup trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
Material Handling and Spill Prevention	Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR 112.
Drilling/Completion Operations	<p>Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys 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 will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.</p> <p>During and Post stimulation: Noble Energy will comply with the COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12.</p>

Total: 4 comment(s)