

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:

400413981

Date Received:

05/22/2013

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: Reliance E Well Number: 23-66-1HN

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

9. Proposed Total Measured Depth: 11228

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 23 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.470170 Longitude: -104.621850

Footage at Surface: 2170 feet FNL/FSL 280 feet FEL/FWL
FSL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4695 13. County: WELD

14. GPS Data:

Date of Measurement: 03/12/2013 PDOP Reading: 1.6 Instrument Operator's Name: David Holmes

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
2308 FNL 773 FEL 2310 FNL 535 FWL
Sec: 23 Twp: 6N Rng: 65W Sec: 23 Twp: 6N 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: 257 ft

18. Distance to nearest property line: 280 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 113 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		324	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):

T6N, R65W, SEC. 23: SE/45, SEC. 24: W/2SW/4. HZ WELLBORE CROSSES LEASE LINE WITHIN DRILLING & SPACING UNIT; DISTANCE TO NEAREST LEASE LINE = 0'. DISTANCE TO NEAREST UNIT BOUNDRY = 535'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 240

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	725	350	725	0
1ST	8+3/4	7+0/0	26	0	7,237	490	7,237	
1ST LINER	6+1/8	4+1/2	11.6	7087	11,228			

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. 6 well pad: RELIANCE E23-66-1HN, E23-64-1HNA, E23-64-1HNC, E23-65-1HC, E23-65-1HN, E23-66-1HC. UNIT CONFIGURATION = Sec. 23: N/2S/2 & S/2N/2. CLOSEST WELL MEASURED = PROPOSED RELIANCE E23-64-1HNA. Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Operator requests an exception location to 318Aa. 318Ac: PLEASE SEE ATTACHED SUA FOR TWINNING & EXCEPTION LOCATION WAIVER INFORMATION.

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: MARI CLARK

Title: REGULATORY ANALYST II

Date: 5/22/2013

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: 6/26/2013

API NUMBER

05 123 37606 00

Permit Number: _____ Expiration Date: 6/25/2015

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.

1)Provide notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara and from 200' below Parkman to 200' above Parkman. Verify cement coverage with a cement bond log per 317.o.

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

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400413981	FORM 2 SUBMITTED
400419314	DIRECTIONAL DATA
400422171	30 DAY NOTICE LETTER
400422175	OFFSET WELL EVALUATION
400422353	DEVIATED DRILLING PLAN
400422355	EXCEPTION LOC REQUEST
400422357	PLAT
400422360	PROPOSED SPACING UNIT
400422363	SURFACE AGRMT/SURETY
400422744	EXCEPTION LOC REQUEST

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected spacing unit acreage and configuration to match certification letter. Final review complete.	6/26/2013 7:57:15 AM
Engineer	Evaluated offset wells for adequate isolation.	5/29/2013 4:13:08 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. Operator requests approval of a Rule 318Am exception location: Wellbore is to be located less than 150' from an existing wellbore. Request and waivers attached. Ready to pass pending public comment 6/13/13.	5/28/2013 2:44:54 PM
Permit	Pass completeness.	5/23/2013 9:49:44 AM

Total: 4 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 Health 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)