

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:

400418816

Date Received:

07/24/2013

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: SUSAN MILLER Phone: (303)228-4246 Fax: (303)228-4286

Email: smiller@nobleenergyinc.com

7. Well Name: RELIANCE Well Number: E23-68-1HN

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

9. Proposed Total Measured Depth: 11719

WELL LOCATION INFORMATION

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

Latitude: 40.475280 Longitude: -104.637280

Footage at Surface: 1280 feet FNL/FSL 755 feet FEL/FWL
 FNL FWL

11. Field Name: Greeley Field Number: 32760

12. Ground Elevation: 4732 13. County: WELD

14. GPS Data:

Date of Measurement: 12/27/2012 PDOP Reading: 1.8 Instrument Operator's Name: David C. 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
 990 FNL 723 FWL 990 FNL 225 FEL
 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: 455 ft

18. Distance to nearest property line: 755 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 335 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		405	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 R65W, Sec. 23: W/2NW/4, and the West 60 acres of E/2NW/4 and other leases and other lands. Horizontal wellbore crosses lease line within GWA horizontal wellbore unit. Distance to nearest unit boundary is 723'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 140

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	100	6	100	0
SURF	13+3/4	9+5/8	36	0	725	350	725	0
1ST	8+3/4	7	26	0	7338	500	7338	0
1ST LINER	6+1/8	4+1/2	11.6	7188	11719			

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

33. Comments First string top of cement will be 200' above the Niobrara formation. The production liner will be hung off inside of the 7" casing. This 3-well pad includes: Reliance E23-68-1HN (REF), Reliance E23-69-1HN, and Reliance E23-69HN; twinning the existing Feit E23-99HZ well, located 47' south of the proposed pad. The nearest well permitted/completed in the same formation is the Feit 2-23 EG, API No. 05-123-12056, located 335' north of the proposed well. Surface Use Agreement attached for informational use. Unit Configuration: N/2 Section 23, W/2NW/4 Section 24, T6N-R65W. Please note, COGIS website incorrectly shows the bottomhole location of the Feit E23-99HZ, API No. 05-123-32648 in the NENW of Section 22. The submitted Form 5 shows the top of producing zone is 1371' FNL and 1071' FWL of Section 23, T6N-R65W.

34. Location ID: 420621

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: SUSAN MILLER

Title: Regulatory Analyst III

Date: 7/24/2013

Email: smiller@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: 9/27/2013

API NUMBER

05 123 38142 00

Permit Number: _____ Expiration Date: 9/26/2015

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.

Description

Operator acknowledges the proximity of the following wells: FEIT 2-23 EG API # 123-12056, Palser E 14-15 API # 123-12190, Bickling E22-8 API # 123-18788, Dinner 1 API 123-10788, Dinner 14-34 API # 123-21945, Dinner 15-1 API # 123-10987, Dinner E 23-2 API # 123-17767, Dinner E 23-7 API # 123-17768, FEIT E 23-3 API 123-17727, FEIT E 23-5 API # 123-17728, FEIT 23-6 API # 123-17729, Herman E24-5 API 123-13431, Ole 4-24 API # 123-13239, Palser E #14-23 API 123-22616, Schwisow E 14-16 API 123-16126. Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara and from 200' below the Parkman to 200' above the Parkman. 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.

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

<u>Att Doc Num</u>	<u>Name</u>
400418816	FORM 2 SUBMITTED
400418895	30 DAY NOTICE LETTER
400418897	WELL LOCATION PLAT
400418898	DEVIATED DRILLING PLAN
400418899	DIRECTIONAL DATA
400418901	EXCEPTION LOC REQUEST
400418902	EXCEPTION LOC WAIVERS
400448795	PROPOSED SPACING UNIT
400448798	SURFACE AGRMT/SURETY
400454710	OFFSET WELL EVALUATION

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Regarding operator comment: "COGIS website incorrectly shows the bottomhole location of the Feit E23-99HZ, API No. 05-123-32648 in the NENW of Section 22," directional data is incorrect. Requested opr submit correct data on form 4. Ready to pass pending public comment.	3/5/2013 2:24:50 PM

Total: 1 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	General Housekeeping	General 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 pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
2	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) and 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.
3	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.
4	Drilling/Completion Operations	<p>Anti-collision: 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 Inc. 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)