

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

Operator is the mineral owner of the entire 640 acres of Sec. 16, 16S-48W Cheyenne County, WY; Anadarko will rely on blanket bond for permit purposes but we intend to secure a surface use agreement with surface owner.

Total Acres in Described Lease: 640 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 500 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4069 Feet
 Building Unit: 4069 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 504 Feet
 Above Ground Utility: 2428 Feet
 Railroad: 5280 Feet
 Property Line: 500 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
 - Enter 5280 for distance greater than 1 mile.
 - Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
 - Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
 - Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
 - Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary _____ Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
SPERGEN	SPGN			

DRILLING PROGRAM

Proposed Total Measured Depth: 8997 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1465 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Cuttings will be spread on pad surface or disposed of per rules 907 to 910. Drilling mud will be reused or sent to commercial disposal and adhere to rules 907 to 910. Please see the Waste Management Plan with 02A.

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: or Document Number:

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	36	0	500	150	500	0
1ST	8+3/4	7	26	0	5674	410	5674	0
1ST LINER	6+1/8	4+1/2	11.6	5420	8997			

Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number

OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments Nearest water well: 1985' SE, permit 41934, Depth 34'

This application is in a Comprehensive Drilling Plan No CDP #: _____

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Kenny Trueax

Title: Sr. Regulatory Analyst Date: 9/9/2013 Email: kenny.trueax@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:  Director of COGCC Date: 2/1/2014

Expiration Date: 01/31/2016

API NUMBER

05 017 07783 00

Conditions Of Approval

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.

COA Type

Description

	1) Provide 48 hour notice prior to spud via electronic Form 42. 2) If production casing is set provide cement coverage from TD to at least 200' above Spergen, and cement across Cheyenne/Dakota aquifers (minimum 1900' – 1150'). Verify with CBL. 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the Spergen, 40 sks cement +/- 50' above any DST w/ show, 40 sks cement at 1750' up, 40 sks cement at 1100' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.
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Best Management Practices

No	BMP/COA Type	Description
1	Planning	The pad location is in a rural rangeland area. The closest occupied building is 4069' to the Northeast.

Total: 1 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400477011	FORM 2 SUBMITTED
400477089	OffsetWellEvaluations Data
400477093	PLAT
400477095	DEVIATED DRILLING PLAN
400477099	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Permit	Distance to another well penetrating the objective formation changed to 1465' to reflect distance to top of production rather than surface location.	1/27/2014 1:30:50 PM
Permit	Final review completed; no LGD or public comment received.	10/25/2013 2:09:20 PM
Permit	Distance to another completed or permitted is the same common source of supply was revised to exclude D&A wells. (revised to 5280')	9/20/2013 12:32:00 PM
Permit	Does this well consist of a pilot and a lateral or just a lateral. Operator says these wells do not have pilots.	9/20/2013 12:28:02 PM
Permit	Is the 640 acre lease a single lease.	9/20/2013 12:21:06 PM
Permit	Form passes completeness.	9/10/2013 11:26:45 AM

Total: 6 comment(s)