

FORM 2

Rev 12/05

State of Colorado Oil and Gas Conservation Commission

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Document Number:

400391841

Date Received:

07/10/2013

PluggingBond SuretyID

20030009

APPLICATION FOR PERMIT TO:

1. [X] Drill, [ ] Deepen, [ ] Re-enter, [ ] Recomplete and Operate

2. TYPE OF WELL

OIL [X] GAS [ ] COALBED [ ] OTHER [ ] SINGLE ZONE [X] 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: JAN KAJIWARA Phone: (303)228-4092 Fax: (303)228-4286 Email: jkajiwara@nobleenergyinc.com

7. Well Name: MINNE Y Well Number: 22-72-1HN

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

9. Proposed Total Measured Depth: 11395

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 22 Twp: 2N Rng: 64W Meridian: 6

Latitude: 40.130450 Longitude: -104.530390

Footage at Surface: 270 feet FNL/FSL FNL 650 feet FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5008 13. County: WELD

14. GPS Data:

Date of Measurement: 08/21/2012 PDOP Reading: 1.6 Instrument Operator's Name: ROBERT C HOLMES

15. If well is [ ] Directional [X] Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FNL 725 FNL 329 FEL FEL 535 FSL 330 FEL Bottom Hole: FNL/FSL FEL/FWL Sec: 22 Twp: 2N Rng: 64W

16. Is location in a high density area? (Rule 603b)? [ ] Yes [X] No

17. Distance to the nearest building, public road, above ground utility or railroad: 255 ft

18. Distance to nearest property line: 270 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 330 ft

LEASE, SPACING AND POOLING INFORMATION

Table with 5 columns: Objective Formation(s), Formation Code, Spacing Order Number(s), Unit Acreage Assigned to Well, Unit Configuration (N/2, SE/4, etc.)

21. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian Lease #:

22. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian

23. Is the Surface Owner also the Mineral Owner? [X] Yes [ ] No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? [ ] Yes [X] No

23b. If 23 is No: [X] 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):

T2N-R64W SEC. 22: N/2 AND OTHER LEASE AND OTHER LANDS. Horizontal well crosses lease line within GWA horizontal wellbore unit; distance to lease line is 0 feet; distance to nearest unit boundary is 535 feet.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 320

### 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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF        | 18+1/2       | 16             | 0     | 0             | 100           | 6         | 100     | 0       |
| 1ST         | 13+3/4       | 9+5/8          | 36    | 0             | 1100          | 500       | 1100    | 0       |
| 1ST LINER   | 8+3/4        | 7              | 26    | 0             | 7371          | 500       | 7371    |         |
| 1ST TAPER   | 6+1/8        | 4+1/2          | 11.6  | 7221          | 11395         |           |         |         |

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

33. Comments 1ST STRING TOP OF CEMENT = 200' ABOVE NIOBRARA. SIX WELL PAD: MINNE Y22-72HC, Y22-72HN, Y22-72-1HN, Y22-73HC, Y22-73HN, Y22-73-1HN. PRODUCTION FACILITY OFF THE PAD OF MINNE Y22-77HC DOC. # 400391835. THE NEAREST WELL PERMITTED OR COMPLETED IN THE SAME FORMATION IS THE MINNE Y22-72HN, LOCATED APPROX. 330' OF THE WELL BEING PERMITTED. EXCEPTION LOCATION TO RULE 318A.a and 318A.c REQUESTED AND ATTACHED. HAY BALES REQUIRED FOR SOUND MITIGATION. UNIT CONFIGURATION = E/2E/2 SEC 22, W/2W/2 SEC. 23.

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: JAN KAJIWARA

Title: REGULATORY ANALYST Date: 7/10/2013 Email: jkajiwara@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: 11/28/2013

|                                      |                      |                                    |
|--------------------------------------|----------------------|------------------------------------|
| <b>API NUMBER</b><br>05 123 38515 00 | Permit Number: _____ | Expiration Date: <u>11/27/2015</u> |
|--------------------------------------|----------------------|------------------------------------|

**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**

1)Provide notice of MIRU via an electronic Form 42.

2)Comply with Rule 317.i and provide cement coverage a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per Rule 317.o.

3)Operator acknowledges the proximity of the GOETZ #1 (API# 123-10157) well. 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.

Data retrieval failed for the subreport 'IntPolicy\_NTO' located at: \\DnrDenSterling\Forms\Reports\policy\_nto.rdl. Please

**Attachment Check List**

| <b>Att Doc Num</b> | <b>Name</b>            |
|--------------------|------------------------|
| 400391841          | FORM 2 SUBMITTED       |
| 400392768          | 30 DAY NOTICE LETTER   |
| 400392769          | WELL LOCATION PLAT     |
| 400404236          | DEVIATED DRILLING PLAN |
| 400404238          | EXCEPTION LOC WAIVERS  |
| 400404240          | DIRECTIONAL DATA       |
| 400429026          | SURFACE AGRMT/SURETY   |
| 400432196          | OFFSET WELL EVALUATION |
| 400438526          | PROPOSED SPACING UNIT  |
| 400438529          | EXCEPTION LOC REQUEST  |

Total Attach: 10 Files

**General Comments**

| <b>User Group</b> | <b>Comment</b>  | <b>Comment Date</b>      |
|-------------------|---|--------------------------|
| Permit            | No LGD or public comments.<br>Final Review--passed.         | 11/27/2013<br>9:10:34 AM |
| Permit            | APD ready to pass; waiting on OGLA approval of 2A.          | 10/29/2013<br>9:52:01 AM |
| Engineer          | Evaluated offset wells for adequate coverage.               | 3/2/2013 8:12:19<br>AM   |
| Engineer          | On Hold, Waiting on operator acknowledgment of offset wells | 3/1/2013 9:24:00<br>AM   |
| Permit            | Passed completeness.  | 7/11/2013<br>7:06:41 AM  |

Total: 5 comment(s)

## Best Management Practices

| No | BMP/COA Type                           | Description   |
|----|--|---|
| 1  | 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.   |
| 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) 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 Mitigation BMP</p> <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:</p> <p>Noble Energy will comply with the COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.</p> |

Total: 4 comment(s)