

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refilling
Sidetrack

Document Number:
1904060
Plugging Bond Surety
20050043

3. Name of Operator: ENCANA OIL & GAS (USA) INC 4. COGCC Operator Number: 100185

5. Address: 370 17TH ST STE 1700
City: DENVER State: CO Zip: 80202-5632

6. Contact Name: NICKCURRAN Phone: (303)623-2300 Fax: (303)623-2400
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: BURY CRANDELL Well Number: 12-23

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

9. Proposed Total Measured Depth: 8482

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 23 Twp: 1N Rng: 68W Meridian: 6

Latitude: 40.038530 Longitude: -104.977690

Footage at Surface: 1980 FNL/FSL FNL 660 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5147 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 02/11/2009 PDOP Reading: 0.3 Instrument Operator's Name: TOM WINANS

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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 453

18. Distance to nearest property line: 212 19. Distance to nearest well permitted/completed in the same formation: 1054

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.)
CODELL	CODL	407-87	160	NW
J SAND	JSND	232-23	320	W/2
NIOBRARA	NBRR	407-87	160	NW

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#: 20050027

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 Bon \$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):
PLEASE SEE ATTACHED LEASE DESCRIPTION

25. Distance to Nearest Mineral Lease Line: 660 26. Total Acres in Lease: 5752

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite
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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	1,170	350	1,170	0
1ST	7+7/8	4+1/2	11.6	8,482	310	8,482	7,292
			Stage Tool	5,572	250	5,572	4,542

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

33. Comments NO CONDUCTOR CASING WILL BE USED

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: Y Print Name: NICK CURRAN

Title: PERMIT AGENT Date: 4/28/2009 Email: NICK.CURRAN@ENCANA.CO

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: David S. Neslin Director of COGCC Date: 9/21/2009

Permit Number: _____ Expiration Date: 9/20/2010

API NUMBER
05 014 20672 00

CONDITIONS OF APPROVAL, IF ANY:

Condition of Approval

Comment

Agency

1) NOTE SURFACE CASING SETTING DEPTH CHANGE FROM 800' TO 1170'. INCREASE CEMENT COVERAGE ACCORDINGLY AND CEMENT TO SURFACE. 2) PROVIDE 24 HOUR NOTICE OF MIRU TO JIM PRECUP AT 303-469-1902 OR E-MAIL AT JAMES.PRECUP@STATE.CO.US 3) COMPLY WITH RULE 317.I AND PROVIDE CEMENT COVERAGE FROM TD TO A MINIMUM OF 200' ABOVE NIOBRARA AND FROM 200' BELOW SHANNON TO 200' ABOVE SUSSEX. VERIFY COVERAGE WITH CEMENT BOND LOG.

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COGCC has determined that the location is sensitive and the operator must either line the drilling pit or use a pit less drilling system for handling drilling fluids.

Attachment Check List

Att Doc Num	Name	Doc Description
1824863	LEGAL/LEASE DESCRIPTION	LF@2044013 1824863
1904060	APD ORIG & 1 COPY	LF@2044010 1904060
1904061	WELL LOCATION PLAT	LF@2044011 1904061
1904062	TOPO MAP	LF@2044012 1904062
1904063	MINERAL LEASE MAP	LF@2044026 1904063
1904064	30 DAY NOTICE LETTER	LF@2044014 1904064

Total Attach: 6 Files