

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 ☒

Refiling ☐
Sidetrack ☐

Document Number:

1757029

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: NICK G.CURRAN Phone: (303)623-2300 Fax: (303)623-2400
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: BURY CRANDELL Well Number: 21-23

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

9. Proposed Total Measured Depth: 8476

WELL LOCATION INFORMATION

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

Latitude: 40.042650 Longitude: -104.972970

Footage at Surface: 510 FNL/FSL 1980 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5141 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 04/28/2009 PDOP Reading: 1.6 Instrument Operator's Name: CRAIG BURKE

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: 481

18. Distance to nearest property line: 510 19. Distance to nearest well permitted/completed in the same formation: 1120

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	NW4
J SAND	JSND	232-23	320	W2
NIOBRARA	NBRR	407-87	160	NW4

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: 510 26. Total Acres in Lease: 5753

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	1,130	350	1,130	0
1ST	7+7/8	4+1/2	11.6	8,476	310	8,476	7,296
			Stage Tool	5,571	240	5,571	4,556

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 G. CURRAN

Title: PERMITTING AGENT Date: 6/12/2009 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: 9/29/2009

API NUMBER

05 014 20673 00

Permit Number: 20092716 Expiration Date: 9/28/2010

CONDITIONS OF APPROVAL, IF ANY:

Condition of Approval

Comment

Agency

1) Note surface casing setting depth change from 800' to 1130'. 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.

Attachment Check List

Att Doc Num	Name	Doc Description
1757029	APD ORIG & 1 COPY	LF@2086882 1757029
1757030	WELL LOCATION PLAT	LF@2086884 1757030
1757031	TOPO MAP	LF@2086886 1757031
1757033	MINERAL LEASE MAP	LF@2087010 1757033
1757034	30 DAY NOTICE LETTER	LF@2086883 1757034
1813783	LEGAL/LEASE DESC	LF@2086887 1813783

Total Attach: 6 Files