

**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:

1692410

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: (720)876-5288 Fax: (720)876-6288

Email: NICK.CURRAN@ENCANA.COM

| | |
|---------------------|--------------------|
| 7. Well Name: GRANT | Well Number: 23-11 |
|---------------------|--------------------|

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

9. Proposed Total Measured Depth: 8255

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 11 Twp: 2N Rng: 68W Meridian: 6

Latitude: 40.147410 Longitude: -104.968740

| | | | | |
|---------------------|-----|---------|------|---------|
| | | FNL/FSL | | FEL/FWL |
| Footage at Surface: | 506 | FSL | 2152 | FEL |

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4868 13. County: WELD

14. GPS Data:

Date of Measurement: 07/31/2008 PDOP Reading: 1.6 Instrument Operator's Name: BEN ADSIT

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

| Footage at Top of Prod Zone: | | | | Bottom Hole: | | | |
|------------------------------|---------|----------|-----|--------------|---------|----------|-----|
| FNL/FSL | | FEL/FWL | | FNL/FSL | | FEL/FWL | |
| 1830 | FSL | 1880 | FWL | 1830 | FSL | 1880 | FWL |
| Sec: 11 | Twp: 2N | Rng: 68W | | Sec: 11 | Twp: 2N | Rng: 68W | |

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: 472 ft

18. Distance to nearest property line: 463 ft 19. Distance to nearest well permitted/completed in the same formation: 892 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | 407-87 | 160 | SW4 |
| J SAND | JSND | 232-23 | 320 | S2 |
| NIOBRARA | NBRR | 407-87 | 160 | SW4 |

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#: _____

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):
T2N-R68W SEC. 11:E2SW

25. Distance to Nearest Mineral Lease Line: 576 ft 26. Total Acres in Lease: 80

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 | 650 | 280 | 506 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 8,255 | 270 | 8,255 | 7,215 |
| | | | Stage Tool | 5,138 | 220 | 5,138 | 4,237 |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. NO NEW VISIBLE IMPROVEMENTS WITHIN 400' SINCE ORIGINALLY PERMITTED.

34. Location ID: 336375

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: NICK G. CURRAN

Title: PERMITTING AGENT Date: 10/20/2009 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: 11/20/2009

API NUMBER

05 123 29288 00

Permit Number: _____ Expiration Date: 11/19/2010

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.

1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 2) 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. 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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 1692410 | APD ORIGINAL | LF@2161489 1692410 |
| 1692422 | WELL LOCATION PLAT | LF@2161490 1692422 |
| 1692423 | TOPO MAP | LF@2161457 1692423 |
| 1692424 | MINERAL LEASE MAP | LF@2161456 1692424 |
| 1692425 | SURFACE AGRMT/SURETY | LF@2161491 1692425 |
| 1692426 | 30 DAY NOTICE LETTER | LF@2161492 1692426 |
| 1692427 | DEVIATED DRILLING PLAN | LF@2161493 1692427 |
| 400010769 | FORM 2 SUBMITTED | LF@2166783 400010769 |

Total Attach: 8 Files