

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:
2094503
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: JEVIN CROTEAU Phone: (720)876-5339 Fax: (720)876-6339
Email: JEVIN.CROTEAU@ENCANA.COM

7. Well Name: MELBON RANCH Well Number: 43-17

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

9. Proposed Total Measured Depth: 7850

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 17 Twp: 2N Rng: 65W Meridian: 6
Latitude: 40.136980 Longitude: -104.680090

Footage at Surface: 2012 FNL/FSL FSL 470 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4902 13. County: WELD

14. GPS Data:

Date of Measurement: 12/11/2009 PDOP Reading: 2.3 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: 444 ft

18. Distance to nearest property line: 470 ft 19. Distance to nearest well permitted/completed in the same formation: 1129 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	320	S/2
J SAND	JSND	232-23	320	S/2
NIOBRARA	NBRR	407-87	320	S/2

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):
S/2 & N2NE, SEC. 17, T2N, R65W

25. Distance to Nearest Mineral Lease Line: 470 ft 26. Total Acres in Lease: 400

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	825	550	825	0
1ST	7+7/8	4+1/2	11.6	7,850	300	7,850	6,700

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

33. Comments NO CONDUCTOR CASING WILL BE USED,

34. Location ID: 332025

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: JEVIN CROTEAU

Title: REGULATORY Date: 1/21/2010 Email: JEVIN.CROTEAU@ENCANA.C

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. Nashin Director of COGCC Date: 2/20/2010

API NUMBER 05 123 21729 00	Permit Number: _____	Expiration Date: <u>2/19/2011</u>
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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 Sussex to 200' above Sussex. Verify coverage with cement bond log.

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Attachment Check List

Att Doc Num	Name	Doc Description
1760421	WAIVERS	LF@2420280 1760421
1760424	WAIVERS	LF@2421285 1760424
1760425	WAIVERS	LF@2421286 1760425
2094503	APD ORIGINAL	LF@2215380 2094503
2094505	WELL LOCATION PLAT	LF@2215381 2094505
2094506	TOPO MAP	LF@2215382 2094506
2094507	SURFACE AGRMT/SURETY	LF@2215383 2094507
2094508	30 DAY NOTICE LETTER	LF@2215384 2094508
400030740	FORM 2 SUBMITTED	LF@2221043 400030740

Total Attach: 9 Files