

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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| DE | ET | OE | ES |
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Document Number:

400017287

Plugging Bond Surety

20020026

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 ☐

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: Judith Walter Phone: (720)876-3702 Fax: (720)876-4702

Email: judith.walter@encana.com

7. Well Name: Story Gulch Unit Well Number: 8505A-36 B36496

8. Unit Name (if appl): Story Gulch Unt Unit Number: COC69333X

9. Proposed Total Measured Depth: 14051

WELL LOCATION INFORMATION

10. QtrQtr: Lot 2 Sec: 36 Twp: 4S Rng: 96W Meridian: 6

Latitude: 39.664206 Longitude: -108.113367

Footage at Surface: 674 FNL/FSL FNL 1603 FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 8351 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/06/2009 PDOP Reading: 2.0 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 1492 FNL 658 FWL 1492 FNL 658 FWL
Sec: 36 Twp: 4S Rng: 96W Sec: 36 Twp: 4S Rng: 96W

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: 1608 ft

18. Distance to nearest property line: 674 ft 19. Distance to nearest well permitted/completed in the same formation: 370 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Iles | ILES | ? | | |
| Williams Fork | WMFK | 510-13 | 10 | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC65557

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 0

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 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):
T4S, R96W, 6th P.M., Sec 36: Lot 1-6, S2N2, N2SW

25. Distance to Nearest Mineral Lease Line: 658 ft 26. Total Acres in Lease: 485

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: recycle, amend and bury

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 26 | 20 | Line Pipe | 120 | 176 | 120 | 0 |
| SURF | 14+3/4 | 9+5/8 | 36 | 3,000 | 2,069 | 3,000 | 0 |
| 2ND | 8+3/4 | 4+1/2 | 11.6 | 14,051 | 857 | 14,051 | 8,391 |

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

33. Comments Surface Csg 14-3/4", Production Csg 7-7/8", 8-3/4", Prod Csg cmt top calc @ 500' above TOG. Onsite was 8/12/2009 with BLM and CDOW.

34. Location ID: 0

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: Judith Walter

Title: Regulatory Analyst Date: 11/23/2009 Email: judith.walter@encana.com

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: 1/10/2010

API NUMBER

05 045 18998 00

Permit Number: _____ Expiration Date: 1/9/2012

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.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL david.Andrews@state.co.us GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE. RESERVE PIT MUST BE LINED. CEMENT-TOP VERIFICATION BY CBL REQUIRED THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 000 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 400017288 | PLAT | LF@2186163 400017288 |
| 400017289 | TOPO MAP | LF@2186164 400017289 |
| 400017290 | MINERAL LEASE MAP | LF@2186165 400017290 |
| 400017291 | DEVIATED DRILLING PLAN | LF@2186166 400017291 |
| 400017292 | FED. DRILLING PERMIT | LF@2186167 400017292 |
| 400017720 | FORM 2 SUBMITTED | LF@2186168 400017720 |

Total Attach: 6 Files