

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: NICK CURRAN 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 ft

18. Distance to nearest property line: 212 ft 19. Distance to nearest well permitted/completed in the same formation: 1054 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	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 ft 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: 9/20/2011

API NUMBER
05 014 20672 00

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) 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
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
400005930	APD ORIG & 1 COPY	LF@2044010 400005930

Total Attach: 6 Files