

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:

1758844

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: (720)876-5288 Fax: (720)876-6288
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: KUNER Well Number: 1-25

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

9. Proposed Total Measured Depth: 7373

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 25 Twp: 5N Rng: 64W Meridian: 6

Latitude: 40.374040 Longitude: -104.489700

Footage at Surface: 1287 FNL/FSL FNL 293 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4586 13. County: WELD

14. GPS Data:

Date of Measurement: 06/22/2009 PDOP Reading: 1.5 Instrument Operator's Name: DALLAS NIELSEN

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

Footage at Top of Prod Zone: FNL/FSL 1308 FNL 1285 FEL FEL Bottom Hole: FNL/FSL 1308 FNL 1285 FEL FEL
Sec: 25 Twp: 5N Rng: 64W Sec: 25 Twp: 5N Rng: 64W

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: 127 ft

18. Distance to nearest property line: 4 ft 19. Distance to nearest well permitted/completed in the same formation: 2381 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	160	NE/4
NIOBRARA	NBRR	407	160	NE/4

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):
PLEASE SEE ATTACHED LEASE DESCRIPTION

25. Distance to Nearest Mineral Lease Line: 720 ft 26. Total Acres in Lease: 198

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	800	350	800	0
1ST	7+7/8	4+1/2	11.6	7,373	290	7,373	6,273
			Stage Tool	4,813	220	4,813	3,904

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: _____ Print Name: NICK.CURRAN

Title: PERMITTING AGENT Date: 8/28/2009 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: 12/4/2009

API NUMBER

05 123 30815 00

Permit Number: _____ Expiration Date: 12/3/2011

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 hr notice of spud to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us . 2) Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 4) 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
1303309	SURFACE AGRMT/SURETY	LF@2135204 1303309
1758859	WELL LOCATION PLAT	LF@2135214 1758859
1758860	TOPO MAP	LF@2135202 1758860
1758861	LEGAL/LEASE DESCRIPTION	LF@2135216 1758861
1758862	MINERAL LEASE MAP	LF@2135200 1758862
1758863	SURFACE AGRMT/SURETY	LF@2135218 1758863
1758864	30 DAY NOTICE LETTER	LF@2135220 1758864
1758865	DEVIATED DRILLING PLAN	LF@2135222 1758865
1758866	EXCEPTION LOC REQUEST	LF@2135224 1758866
1758875	EXCEPTION LOC WAIVERS	LF@2135226 1758875
1759910	EXCEPTION LOC REQUEST	LF@2185420 1759910
1759918	SURFACE AGRMT/SURETY	LF@2185708 1759918
1760055	CORRESPONDENCE	LF@2189274 1760055
1760063	CORRESPONDENCE	LF@2191012 1760063
1940601	SURFACE CASING CHECK	LF@2143660 1940601
400020244	APD ORIGINAL	LF@2135212 400020244

Total Attach: 16 Files