

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:

1758847

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: 41-25

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

9. Proposed Total Measured Depth: 7303

WELL LOCATION INFORMATION

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

Latitude: 40.374110 Longitude: -104.489770

Footage at Surface: 1264 FNL/FSL FNL 312 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: 2.1 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 656 FNL 655 FEL 656 FNL 655 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: 130 ft

18. Distance to nearest property line: 14 ft 19. Distance to nearest well permitted/completed in the same formation: 1920 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	80	E2NE4
NIOBRARA	NBRR	407	80	E2NE4

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 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):
PLEASE SEE ATTACHED LEASE DESCRIPTION

25. Distance to Nearest Mineral Lease Line: 655 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	7,303	290	7,303	6,203
			Stage Tool	4,770	220	4,770	3,856

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 30812 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
1303311	SURFACE AGRMT/SURETY	LF@2135186 1303311
1758886	WELL LOCATION PLAT	LF@2135262 1758886
1758887	TOPO MAP	LF@2135184 1758887
1758888	LEGAL/LEASE DESCRIPTION	LF@2135264 1758888
1758889	MINERAL LEASE MAP	LF@2135182 1758889
1758890	SURFACE AGRMT/SURETY	LF@2135266 1758890
1758891	30 DAY NOTICE LETTER	LF@2135268 1758891
1758892	DEVIATED DRILLING PLAN	LF@2135270 1758892
1758893	EXCEPTION LOC REQUEST	LF@2135272 1758893
1758894	EXCEPTION LOC WAIVERS	LF@2135274 1758894
1759907	SURFACE AGRMT/SURETY	LF@2185341 1759907
1759915	EXCEPTION LOC REQUEST	LF@2185444 1759915
1760051	CORRESPONDENCE	LF@2189054 1760051
1760067	CORRESPONDENCE	LF@2191117 1760067
400020240	APD ORIGINAL	LF@2135260 400020240

Total Attach: 15 Files