

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:

400049524

Plugging Bond Surety

20100017

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: DeAnne Spector Phone: (720)876-5826 Fax: (720)876-6060
Email: deanne.spector@encana.com

7. Well Name: Nichols Well Number: 31-9H (PL31SE)

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

9. Proposed Total Measured Depth: 12574

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 31 Twp: 9S Rng: 95W Meridian: 6

Latitude: 39.228370 Longitude: -108.028120

Footage at Surface: 1363 FNL/FSL FSL 675 FEL/FWL FEL

11. Field Name: Plateau Field Number: 69300

12. Ground Elevation: 5922 13. County: MESA

14. GPS Data:

Date of Measurement: 05/08/2009 PDOP Reading: 0.0 Instrument Operator's Name: Ted Taggart

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

Footage at Top of Prod Zone: FNL/FSL 1853 FSL 1192 FEL 663 FNL 791 FWL 663 FNL 791 FWL

Sec: 31 Twp: 9S Rng: 95W Sec: 31 Twp: 9S Rng: 95W

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: 640 ft

18. Distance to nearest property line: 675 ft 19. Distance to nearest well permitted/completed in the same formation: 1340 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.)
Corcoran	CRCRN			
Cozzette	COZZ			
Iles	ILES			
Mancos A	MNCSA			
Mancos B	MNCSE			
Niobrara	NBRR			
Williams Fork	WMFK			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC13192

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):
 9S-95W, Sec 31: SWNW, Lot 1 (Fee Lease) number of acres is for lease only - sp unit is entire section. Federal Isle (in Unit) COC 13192

25. Distance to Nearest Mineral Lease Line: 663 ft 26. Total Acres in Lease: 78

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
CONDUCTOR	24+0/0	20+0/0	.25 wall	40	4	40	0
SURF	17+1/2	13+3/8	68#	1,300	903	1,300	40
2ND	12+1/4	9+5/8	36#	6,200	968	6,200	1,300
3RD	8+3/4	5+1/2	20#	12,574	1,117	12,574	6,200

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

33. Comments Surface is Fee, Mineral is Fee.

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: DeAnne Spector

Title: Regulatory Analyst Date: 3/25/2010 Email: deanne.spector@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. Nashin Director of COGCC Date: 6/3/2010

API NUMBER
 05 077 10095 00

Permit Number: _____ Expiration Date: 6/2/2012

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.

1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) CEMENT TOP VERIFICATION BY CBL REQUIRED.

3) 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
400049652	PLAT	LF@2445765 400049652
400049653	30 DAY NOTICE LETTER	LF@2445766 400049653
400049654	SURFACE AGRMT/SURETY	LF@2445767 400049654
400049658	DEVIATED DRILLING PLAN	LF@2445768 400049658
400050625	FORM 2 SUBMITTED	LF@2445769 400050625

Total Attach: 5 Files