

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:

1698537

Plugging Bond Surety

20100017

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: NICK G. CURRAN Phone: (303)623-2300 Fax: (303)623-2400  
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: CRANDELL Well Number: 0-8-26

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8930

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 26 Twp: 1N Rng: 68W Meridian: 6

Latitude: 40.019600 Longitude: -104.976540

Footage at Surface: 1715 FNL/FSL FSL 1008 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5217 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 03/09/2010 PDOP Reading: 1.9 Instrument Operator's Name: CRAIG BURKE

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

Footage at Top of Prod Zone: FNL/FSL 50 FSL 50 FWL 50 FEL/FWL 50 FSL 50 FWL 50  
Sec: 26 Twp: 1N Rng: 68W Sec: 26 Twp: 1N Rng: 68W

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: 960 ft

18. Distance to nearest property line: 391 ft 19. Distance to nearest well permitted/completed in the same formation: 640 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                           | GWA                                  |
| J SAND                 | JSND           | 232-23                  | 160                           | GWA                                  |
| NIOBRARA               | NBRR           | 407                     | 160                           | GWA                                  |

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):  
T1N-R68W SEC. 26: SW4

25. Distance to Nearest Mineral Lease Line: \_\_\_\_\_ 50 ft 26. Total Acres in Lease: \_\_\_\_\_ 160

### 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              | 1,040         | 450          | 1,040         | 0          |
| 1ST         | 7+7/8        | 4+1/2          | 11.6            | 8,930         | 320          | 8,930         | 7,694      |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PROPOSED GWA SPACING UNIT : SEC 27: SESE; SEC 26: SWSW; SEC 35: NWNW; SEC 34: NENE

34. Location ID: \_\_\_\_\_ 321529

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 G. CURRAN

Title: PERMITTING Date: 5/18/2010 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: 6/23/2010

API NUMBER

05 014 20707 00

Permit Number: \_\_\_\_\_ Expiration Date: 6/22/2012

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) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) 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.
- 3) 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    |
|-------------|------------------------|--------------------|
| 1698537     | APD ORIGINAL           | LF@2479443 1698537 |
| 1698538     | WELL LOCATION PLAT     | LF@2479444 1698538 |
| 1698539     | TOPO MAP               | LF@2479483 1698539 |
| 1698540     | MINERAL LEASE MAP      | LF@2479484 1698540 |
| 1698541     | 30 DAY NOTICE LETTER   | LF@2479445 1698541 |
| 1698542     | DEVIATED DRILLING PLAN | LF@2479446 1698542 |
| 1698543     | PROPOSED SPACING UNIT  | LF@2479447 1698543 |

Total Attach: 7 Files