

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:
2589352
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: JEVIN CROTEAU Phone: (303)623-2300 Fax: (303)623-2400
Email: JEVIN.CROTEAU@ENCANA.COM

7. Well Name: BILLINGS Well Number: 41-34

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

9. Proposed Total Measured Depth: 8292

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 34 Twp: 2N Rng: 68W Meridian: 6
Latitude: 40.099450 Longitude: -104.983670

Footage at Surface: 1028 FNL/FSL FNL 1058 FEL/FWL FEL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 4995 13. County: WELD

14. GPS Data:

Date of Measurement: 03/08/2010 PDOP Reading: 1.8 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 510 FNL 510 FEL 510 FEL 510 FEL
Bottom Hole: FNL/FSL 510 FNL 510 FEL 510 FEL
Sec: 34 Twp: 2N Rng: 68W Sec: 34 Twp: 2N 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: 813 ft

18. Distance to nearest property line: 303 ft 19. Distance to nearest well permitted/completed in the same formation: 752 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	320	E2 OF SEC. 34
J SAND	JSND	232-23	320	E2 OF SEC. 34
NIOBRARA	NBRR	407	320	E2 OF SEC. 34

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):
 NE/4 LESS CEFRTAIN LANDS LYING EAST OF LOWER BOULDER DITCH AND SW/4 LESS LANDS IN PURITAN SUBDIVISION OF SEC. 34, T2N, R68W

25. Distance to Nearest Mineral Lease Line: 30 ft 26. Total Acres in Lease: 280

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	280	800	0
1ST	7+7/8	4+1/2	11.6	8,292	280	8,292	7,207

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 336418

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: JEVIN CROTEAU

Title: REGULATORY Date: 5/25/2010 Email: JEVIN.CROTEAU@ENCANA.C

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: 6/29/2010

API NUMBER 05 123 31823 00	Permit Number: _____	Expiration Date: <u>6/28/2012</u>
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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 650' to 800'. 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.
- 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
2589352	APD ORIGINAL	LF@2482352 2589352
2589354	WELL LOCATION PLAT	LF@2482353 2589354
2589355	TOPO MAP	LF@2482376 2589355
2589356	MINERAL LEASE MAP	LF@2482377 2589356
2589357	SURFACE AGRMT/SURETY	LF@2482354 2589357
2589358	30 DAY NOTICE LETTER	LF@2482355 2589358
2589359	DEVIATED DRILLING PLAN	LF@2482356 2589359

Total Attach: 7 Files