

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:

400069915

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: DeAnne Spector Phone: (720)876-5826 Fax: (720)876-6826

Email: deanne.spector@encana.com

7. Well Name: Daybreak Federal Well Number: 30-13BB (PL30)

8. Unit Name (if appl): Unit Number: 67350

9. Proposed Total Measured Depth: 6898

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 30 Twp: 7S Rng: 95W Meridian: 6

Latitude: 39.406080 Longitude: -108.046230

Footage at Surface: 1724 FNL/FSL 678 FEL/FWL FSL FWL

11. Field Name: Parachute Field Number: 67350

12. Ground Elevation: 6222 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 01/31/2005 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 | FEL/FWL | Bottom Hole: | FNL/FSL | FEL/FWL |
| 1320 | FSL | 660 | 1320 | FSL | 660 |
| Sec: 30 | Twp: 7S | Rng: 95W | Sec: 30 | Twp: 7S | 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: 11000 ft

18. Distance to nearest property line: 404 ft 19. Distance to nearest well permitted/completed in the same formation: 660 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Iles | ILES | 139-46 | 640 | ALL |
| Williams Fork | WMSFK | 139-44 | 640 | ALL |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC010075
A

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):
T7S, R95W, Sec. 30: NWNW (Lot 6) S2SW, SWSE; Sec. 31: S2NW, W2NE, SENE, E2W2, W2E2, SENE, SE Sec. 32: SE, S2N2; Sec. 33: S2, S2N2; Sec 34: SW, S2NW, NENW, SWSE, Sec. 35: S2S2; Sec. 36: S2S2

25. Distance to Nearest Mineral Lease Line: 201 ft 26. Total Acres in Lease: 2347

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 | 16+0/0 | .25" wall | 40 | 5 | 40 | 0 |
| SURF | 12+1/4 | 8+5/8 | 24# | 750 | 480 | 750 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6# | 6,898 | 682 | 6,898 | 0 |

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

33. Comments This is a refile. The SHL was changed and approved on a previous sundry. The PL30 pad has been constructed. The flare pit has been built. No expansion of this pad is proposed. No variance is required. The PL30 Pad is not in a wildlife restricted surface occupancy area. The Production Casing will be set 500' above TOG.

34. Location ID: 414077

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: _____ 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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05 045 18538 01

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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|--|
| 400069959 | PLAT | Revised Plat 30-13BB COGCC.pdf |
| 400075187 | 30 DAY NOTICE LETTER | 30 Day Drilling Notice - Daybreak Realty 6-30-10.pdf |

Total Attach: 2 Files