

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:

2558061

Plugging Bond Surety

20100017

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER ☐ & GAS ☐  
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: (720)876-5288 Fax: (720)876-6288  
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: KENNEDY Well Number: 4-4-21

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

9. Proposed Total Measured Depth: 8382

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 21 Twp: 2N Rng: 68W Meridian: 6

Latitude: 40.127120 Longitude: -105.002140

Footage at Surface: 1595 FNL/FSL FNL 947 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4890 13. County: WELD

14. GPS Data:

Date of Measurement: 01/25/2010 PDOP Reading: 2.6 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 2600 FNL 2590 FEL 2600 FEL 2590 FEL  
Sec: 21 Twp: 2N Rng: 68W Sec: 21 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: 607 ft

18. Distance to nearest property line: 280 ft 19. Distance to nearest well permitted/completed in the same formation: 873 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):  
T2N-R68W SEC. 21: ALL THAT PORTION OF THE NE/4 LYING EAST OF THE CR5.

25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 140

### 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              | 630           | 270          | 630           | 0          |
| 1ST         | 7+7/8        | 4+1/2          | 11.6            | 8,382         | 280          | 8,382         | 7,319      |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. OPERATOR CONFIRMED THAT THIS IS NOT A RE-FILE (AS SHOWN ON ORIGINAL APD), BUT A NEW DRILL. MKO 6-21-10 PROPOSED GWA SPACING UNIT: SWNE, SENW, NESW, NWSE

34. Location ID: 409996

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: 6/15/2010 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: 7/21/2010

#### API NUMBER

05 123 31908 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/20/2012

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    |
|-------------|------------------------|--------------------|
| 2558061     | APD ORIGINAL           | LF@2492392 2558061 |
| 2558062     | WELL LOCATION PLAT     | LF@2492393 2558062 |
| 2558063     | TOPO MAP               | LF@2492441 2558063 |
| 2558064     | MINERAL LEASE MAP      | LF@2492442 2558064 |
| 2558065     | SURFACE AGRMT/SURETY   | LF@2492394 2558065 |
| 2558066     | 30 DAY NOTICE LETTER   | LF@2492395 2558066 |
| 2558067     | DEVIATED DRILLING PLAN | LF@2492396 2558067 |
| 2558068     | PROPOSED SPACING UNIT  | LF@2492397 2558068 |
| 2558069     | PROPOSED SPACING UNIT  | LF@2492398 2558069 |

Total Attach: 9 Files