

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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Document Number:

400007088

Plugging Bond Surety

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: Judith Walter Phone: (720)876-3702 Fax: (720)876-4702

Email: judith.walter@encana.com

7. Well Name: Eureka Unit Well Number: 8807B-24 D30397

8. Unit Name (if appl): Eureka Unit Unit Number: COC67628X

9. Proposed Total Measured Depth: 13095

WELL LOCATION INFORMATION

10. QtrQtr: Lot 4 Sec: 19 Twp: 3S Rng: 97W Meridian: 6

Latitude: 39.767456 Longitude: -108.330272

Footage at Surface: 45 FNL/FSL FSL 454 FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 7335 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 01/22/2009 PDOP Reading: 2.6 Instrument Operator's Name: Robert Kay

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
1946 FNL 2067 FEL 1946 FNL 2067 FEL
Sec: 24 Twp: 3S Rng: 98W Sec: 24 Twp: 3S Rng: 98W

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: 298 ft

18. Distance to nearest property line: 454 ft 19. Distance to nearest well permitted/completed in the same formation: 1253 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			
Williams Fork	WMFK			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC60749

22. Surface Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#: 0

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 Bond ☐ \$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):
T3S, R98W, 6th P.M., Section 23: NE, N2NW, SENW; Sec 24: N2; Sec 25: SENE, S2; Sec 35: SENE

25. Distance to Nearest Mineral Lease Line: 703 ft 26. Total Acres in Lease: 1000

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: Recycle Amend and Bury

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	26	20	Line Pipe	120	176	120	0
SURF	14+3/4	9+5/8	36	3,000	2,069	3,000	0
2ND	7+7/8	4+1/2	11.6	13,095	1,055	13,095	7,486

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

33. Comments Original on-site for this location was 5/4/2004, on-sited again 7/16/2009 with BLM-WRFO-Meeker, Tom Knowles with the CDOW-Meeker, CO were in attendance. 2nd string Cement Top will be 500' above TOG estimated at 7486'MD. This well is within the Project Rio Blanco 3 mile radius, letter to inform the DOE to be sent 10/26/09 via certified mail, see attached.

34. Location ID: 0

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: Judith Walter

Title: Regulatory Analyst Date: 10/23/2009 Email: judith.walter@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. Neslin Director of COGCC Date: 7/21/2010

API NUMBER

05 103 11767 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.

PROJECT RIO BLANCO – NEEDS DAVE NESLIN APPROVAL

(1) COMPLY WITH NOTIFICATION REQUIREMENTS OF THE MOST CURRENT VERSION OF THE NORTHWEST COLORADO NOTIFICATION POLICY.

24-HOUR NOTICE TO MOVE ON LOCATION REQUIRED. E-MAIL: Mike.Longworth@state.co.us

Also E-MAIL: Shaun.Kellerby@state.co.us

(2) OPERATOR SHALL COMPLY WITH ALL PROVISIONS OF THE MOST RECENT COGCC-APPROVED REVISION OF THE RIO BLANCO SAMPLING AND ANALYSIS PLAN.

(3) CEMENT-TOP VERIFICATION BY CBL REQUIRED.

(4) RESERVE PIT MUST BE LINED.

(5) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.

(6) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.

(7) 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.

PROJECT RIO BLANCO – NEEDS DAVE NESLIN APPROVAL

Prior to the drilling out of the surface casing of the first well to be completed within the Project Rio Blanco monitoring area, the operator will ensure that the site is in compliance with the Rio Blanco Sampling and Analysis Plan. This requires that all applicable emergency health-safety and sampling equipment is onsite and that site staff is fully trained in the use of the equipment and emergency response procedures. The requirements will stay in effect for the remainder of the operations onsite as required by the Sampling and Analysis Plan.

Attachment Check List

Att Doc Num	Name	Doc Description
1637760	CORRESPONDENCE	LF@2200647 1637760
400007106	WELL LOCATION PLAT	LF@2180394 400007106
400007107	TOPO MAP	LF@2180395 400007107
400007108	MINERAL LEASE MAP	LF@2180396 400007108
400007109	DEVIATED DRILLING PLAN	LF@2180397 400007109
400007110	FED. DRILLING PERMIT	LF@2180398 400007110
400011668	CORRESPONDENCE	LF@2180399 400011668
400011669	FORM 2 SUBMITTED	LF@2180400 400011669

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	PROJECT RIO BLANCO – NEEDS DAVE NESLIN APPROVAL	12/19/2009

Total: 1 comment(s)