

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:

400078068

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

Email: deanne.spector@encana.com

7. Well Name: Daybreak Federal Well Number: 19-8BB (PJ19)

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

9. Proposed Total Measured Depth: 6611

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 19 Twp: 7S Rng: 95W Meridian: 6

Latitude: 39.421340 Longitude: -108.038360

 Footage at Surface: 2052 FNL/FSL 2323 FEL/FWL
 FSL FEL

11. Field Name: Parachute Field Number: 67350

12. Ground Elevation: 5427 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 01/26/2010 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
 2420 FNL 642 FEL 2420 FNL 642 FEL
 Sec: 19 Twp: 7S Rng: 95W Sec: 19 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: 253 ft

18. Distance to nearest property line: 588 ft 19. Distance to nearest well permitted/completed in the same formation: 390 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Williams Fork | WMFK | 139-95 | 320 | N/2 |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC019572

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):

Sec. 9: SENW; Sec. 19: that part of SENE lying S of CR/Stone Quarry Rd. Surface: Fee; Minerals: 50% Fee, 50% Federal.

25. Distance to Nearest Mineral Lease Line: 220 ft 26. Total Acres in Lease: 78

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 | 9+5/8 | 36 | 1,200 | 321 | 1,200 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 6,611 | 615 | 6,611 | 0 |

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

33. Comments Reference area photos will be taken during the growing season. Surface Casing will be 200'>MSVD and 500' into the intermediate casing.

34. Location ID: 417538

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: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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 |
|-------------|------------------------|--|
| 400078070 | PLAT | Plat 19-8BB.pdf |
| 400078080 | TOPO MAP | Topo.pdf |
| 400078082 | ACCESS ROAD MAP | Access Road.pdf |
| 400078087 | SURFACE AGRMT/SURETY | SDA.pdf |
| 400078088 | 30 DAY NOTICE LETTER | 30 DAY LTR.pdf |
| 400078089 | FED. DRILLING PERMIT | Federal Permit.pdf |
| 400078090 | DEVIATED DRILLING PLAN | Daybreak Federal 19-8BB Plan #1.pdf |
| 400078124 | OTHER | Location shift 20' to East documents.pdf |
| 400078584 | OTHER | BHL Lat Long.pdf |
| 400078750 | LOCATION PICTURES | Photos.pdf |

Total Attach: 10 Files