

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



DE	ET	OE	ES
----	----	----	----

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 ☐

Document Number:

2558070

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: NICK G. CURRAN Phone: (720)876-5288 Fax: (720)876-6288
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: KENNEDY Well Number: 8-4-21

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

9. Proposed Total Measured Depth: 8243

WELL LOCATION INFORMATION

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

Latitude: 40.127120 Longitude: -105.002070

Footage at Surface: 1595 FNL/FSL FNL 927 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: 2.5 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 2690 FNL 50 FEL 50 FEL 2690 FNL 50 FEL 50
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: 599 ft

18. Distance to nearest property line: 300 ft 19. Distance to nearest well permitted/completed in the same formation: 1033 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	8,243	280	8,243	7,178

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: Sec 21: SENE & NESE ; Sec 22: SWNW & NWSW

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: 8/13/2010

API NUMBER

05 123 31974 00

Permit Number: _____ Expiration Date: 8/12/2012

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
2558070	APD ORIGINAL	LF@2492385 2558070
2558071	WELL LOCATION PLAT	LF@2492386 2558071
2558072	TOPO MAP	LF@2492439 2558072
2558073	MINERAL LEASE MAP	LF@2492440 2558073
2558074	SURFACE AGRMT/SURETY	LF@2492387 2558074
2558075	30 DAY NOTICE LETTER	LF@2492388 2558075
2558076	DEVIATED DRILLING PLAN	LF@2492389 2558076
2558077	OTHER	LF@2492390 2558077
2558078	PROPOSED SPACING UNIT	LF@2492391 2558078
2621789	PROPOSED SPACING UNIT	LF@2520614 2621789
2621790	MINERAL LEASE MAP	LF@2520615 2621790

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Productive Interval is located in the SE4. However, the lease description is for lands in the NE4. Cathi Boles provided Mineral Lease Map covering the productive interval location. The plat attached to the 20 day certification depicts a location of the productive interval in the NE4. Cathi Boles provided corrected plat depicting the productive interval in the SE4. Uploaded the new Mineral Lease Map and Proposed Spacing Unit documents. Deleted inaccurate Mineral Lease Map and Proposed Spacing Unit Documentation. Enter "GWA" for Unit Configuration and Ammended comments to include the Proposed GWA Spacing Unit.	8/11/2010 12:28:55 PM

Total: 1 comment(s)

Error: Subreport could not be shown.