

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:

400077226

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: MIRACLE PFISTER Phone: (720)876-3761 Fax: (720)876-4861
Email: miracle.pfister@encana.com

7. Well Name: FEDERAL SAVAGE Well Number: 11-5D2 (RD11)

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

9. Proposed Total Measured Depth: 8830

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 11 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.457500 Longitude: -107.859220

Footage at Surface: 1042 FNL/FSL FNL 1211 FEL/FWL FWL

11. Field Name: RULISON Field Number: 75400

12. Ground Elevation: 6384 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 09/02/2009 PDOP Reading: 0.0 Instrument Operator's Name: TED T. TAGGART

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 2500 FNL 660 FWL FWL Bottom Hole: FNL/FSL 2500 FNL 660 FWL FWL
Sec: 11 Twp: 7S Rng: 94W Sec: 11 Twp: 7S Rng: 94W

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: 1056 ft

18. Distance to nearest property line: 1042 ft 19. Distance to nearest well permitted/completed in the same formation: 345 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	139-99		
WILLIAMS FORK	WMFK	139-99		

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 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):
T7S-R94W 6TH PM SEC 11: LOTS 3, 4, S2NW, SW

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 313

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	16	LINEPIPE	40	5	40	0
SURF	12+1/4	9+5/8	36	1,122	401	1,122	0
1ST	8+3/4	4+1/2	11.6	8,830	566	8,830	0

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

33. Comments TOP OF CEMENT FOR THE PRODUCTION CEMENT WILL BE 500' ABOVE THE TOG. THE CLOSEST UTILITY IS 1056'. THIS PAD IS ON BLM SURFACE AND A SUNDRY TO OCCUPY SURFACE HAS BEEN APPROVED BY THE BLM. THIS REFILE HAS NOT SURFACE USE CHANGES. THE PAD HAS BEEN BUILT, BUT NO RIG IS CURRENTLY ON LOCATION. CHANGES HAVE BEEN MADE TO THE SURFACE AND BOTTOM HOLE LOCATIONS, DRILLING PLANS AND NAME. FORMERLY NAMED THE FEDERAL 11-5B2 (RD11). A 2A FORM IS NOT REQUIRED BECAUSE THE FOLLOWING REQUIREMENT HAVE BEEN MET: 1. THE PAD HAS BEEN BUILT. 2. PITS HAVE BEEN CONSTRUCTED. 3. NO ADDITIONAL EXPANSION OR SURFACE DISTURBANCE IS REQUIRED TO DRILL THESE WELLS. 4. THE LOCATION DOES NOT REQUIRE A VARIANCE FROM THE RULES LISTED IN 306.d.(1).(A).(ii). 5. THE LOCATION IS NOT IN A WILDLIFE RESTRICTED SURFACE OCCUPANCY AREA.

34. Location ID: _____

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: MIRACLE PFISTER

Title: REGULATORY ANALYST Date: 7/16/2010 Email: miracle.pfister@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: 8/22/2010

David S. Neslin

API NUMBER

05 045 15068 00

Permit Number: _____

Expiration Date: 8/21/2011

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

3) RESERVE PIT MUST BE LINED.

4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST MANAGEMENT PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS.

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) 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 600 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400077226	FORM 2 SUBMITTED	LF@2509968 400077226
400077235	PLAT	LF@2509969 400077235
400077237	DEVIATED DRILLING PLAN	LF@2509970 400077237
400077238	SURFACE AGRMT/SURETY	LF@2509971 400077238

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Checked "Surface Owners Agreement Attached" for Federal surface BLM Right of Way attached	8/22/2010 7:52:18 AM
Permit	WO COA'S	8/13/2010 12:54:20 PM

Total: 2 comment(s)

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