

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 _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

Document Number:
400078217
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: DeAnne Spector Phone: (720)876-5826 Fax: (720)876-6826
Email: deanne.spector@encana.com

7. Well Name: Daybreak Federal Well Number: 19-6BB (PJ19)

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

9. Proposed Total Measured Depth: 6347

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 19 Twp: 7S Rng: 95W Meridian: 6
Latitude: 39.421240 Longitude: -108.038750

Footage at Surface: 2012 FNL/FSL FSL 2437 FEL/FWL FEL

11. Field Name: Parachute Field Number: 67350

12. Ground Elevation: 5426 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 FNL FSL FEL/FWL FEL FWL
2503 FNL 1945 FWL 2503 FNL 1945 FWL
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: 628 ft 19. Distance to nearest well permitted/completed in the same formation: 331 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		

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. 19: Lots 1-3, W2NW, E2SW, W2SE; Sec. 30: Lots 4, 5, 7, 8, NESW, SENW, SWNE; Surface: Fee, Minerals: 50% Fee, 50% Federal.
 25. Distance to Nearest Mineral Lease Line: 1945 ft 26. Total Acres in Lease: 720

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	1,000	288	1,000	0
1ST	7+7/8	4+1/2	11.6	6,347	629	6,347	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
 33. Comments Reference area photos will be taken during the growing season. The surface casing will be 200' or more >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: 7/22/2010 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: David S. Neslin Director of COGCC Date: 8/31/2010

API NUMBER: **05 045 19892 00** Permit Number: _____ Expiration Date: 8/30/2012
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) 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) CEMENT-TOP VERIFICATION BY CBL REQUIRED.
- (4) 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.
- (5) 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.
- (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 176 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400078217	FORM 2 SUBMITTED	LF@2511628 400078217
400078673	OTHER	LF@2511629 400078673
400078674	DEVIATED DRILLING PLAN	LF@2511630 400078674
400078675	FED. DRILLING PERMIT	LF@2511631 400078675
400078676	PLAT	LF@2511633 400078676
400078687	ACCESS ROAD MAP	LF@2511634 400078687
400078692	TOPO MAP	LF@2511635 400078692
400078693	SURFACE AGRMT/SURETY	LF@2511636 400078693
400078694	30 DAY NOTICE LETTER	LF@2511637 400078694
400078695	OTHER	LF@2511638 400078695
400078754	LOCATION PICTURES	LF@2511639 400078754

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED WO COA'S minerals are 50 - 50 % Fee and Fed.	8/30/2010 1:13:59 PM
Agency	NULL	7/23/2010 8:25:18 AM

Total: 2 comment(s)

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