

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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APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER Vertical PilotSINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE Refiling Sidetrack

Document Number:

400095852

Plugging Bond Surety

20100017

3. Name of Operator: ENCANA OIL & GAS (USA) INC 4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240Email: Julia.Carter@encana.com7. Well Name: Kimball Mtn Well Number: DH02-6 B07 799

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

9. Proposed Total Measured Depth: 10130

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 7 Twp: 7S Rng: 99W Meridian: 6Latitude: 39.467803 Longitude: -108.482083Footage at Surface: 101 FNL 1893 FEL11. Field Name: Gasaway Field Number: 2956012. Ground Elevation: 6649 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/02/2010 PDOP Reading: 1.9 Instrument Operator's Name: Robert Kay15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: 385 FNL 1606 FEL Bottom Hole: 385 FNL 1606 FELSec: 7 Twp: 7S Rng: 99W Sec: 7 Twp: 7S Rng: 99W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 1368 ft18. Distance to nearest property line: 1219 ft 19. Distance to nearest well permitted/completed in the same formation: 1400 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.)
Mancos	MNCS			

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):
Please see attached maps

25. Distance to Nearest Mineral Lease Line: 935 ft 26. Total Acres in Lease: 10279

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 & 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	30	20	Line Pipe	120	319	120	0
SURF	13+1/2	10+3/4	40.5	1,800	513	1,800	0
1ST	9+7/8	7+5/8	29.7	6,329	328	6,329	3,278

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

33. Comments This permit is for the vertical wellbore to 10,130' (permit TD on legal plat) to evaluate the reservoirs to that depth. From there we will cement back up hole to our kickoff point. Once cemented we will kickoff and build to horizontal (Land Pt on legal plat). We will continue to drill the horizontal target at 13317' MD. The distance on #17 is calculated from Kimball Creek Rd. Encana owns surface and minerals. Please note that the Intermediate casing is listed as 'first string'.

34. Location ID: 383216

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: Julia M. Carter

Title: Regulatory Analyst Date: _____ Email: Julia.Carter@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: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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
400096015	PLAT	Kimball Mtn DH02-6 B07 799.Plat.pdf
400096019	DEVIATED DRILLING PLAN	Kimball Mtn DH02-6 B07 799.DirectionaI Plan.pdf
400096021	TOPO MAP	Kimball Mtn B07 799. Topos.pdf
400096024	LEASE MAP	Kimball Mtn Lease maps.pdf

Total Attach: 4 Files