

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 Pilot
SINGLE 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: 100185

5. Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-5632

6. Contact Name: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240
Email: Julia.Carter@encana.com

7. 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: 6

Latitude: 39.467803 Longitude: -108.482083

Footage at Surface: 101 FNL/FSL FNL 1893 FEL/FWL FEL

11. Field Name: Gasaway Field Number: 29560

12. Ground Elevation: 6649 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/02/2010 PDOP Reading: 1.9 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 385 FNL 1606 FEL FEL Bottom Hole: FNL/FSL 385 FNL 1606 FEL FEL
Sec: 7 Twp: 7S Rng: 99W Sec: 7 Twp: 7S Rng: 99W

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: 1368 ft

18. 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 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):
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: 9/29/2010 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: David S. Nesline Director of COGCC Date: 10/5/2010

Permit Number: _____ Expiration Date: 10/4/2012

API NUMBER

05 045 20007 00

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) INTERMEDIATE CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

4) 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 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400095852	FORM 2 SUBMITTED	LF@2570085 400095852
400096015	PLAT	LF@2570086 400096015
400096019	DEVIATED DRILLING PLAN	LF@2570087 400096019
400096021	TOPO MAP	LF@2570088 400096021
400096024	LEASE MAP	LF@2570089 400096024

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Because this APD is a "pilot hole" and then the coming up hole to drill the horizontal leg it will require a form 2 for the pilot hole. This is that "pilot" form 2, at this depth borehole would penetrate the Dakota and Morrison, not supplied as objective formations.	10/1/2010 7:56:30 AM

Total: 1 comment(s)

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