

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 _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE Refiling Sidetrack

Document Number:

400098891

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: N. Parachute Well Number: DH05-20 G29 595

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

9. Proposed Total Measured Depth: 16378

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 29 Twp: 5S Rng: 95W Meridian: 6Latitude: 39.586086 Longitude: -108.073183Footage at Surface: 2178 FNL/FSL 1279 FEL/FWL FEL11. Field Name: Grand Valley Field Number: 3129012. Ground Elevation: 6098 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/23/2010 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: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 8543 ft18. Distance to nearest property line: 8448 ft 19. Distance to nearest well permitted/completed in the same formation: 10744 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: 4139 ft 26. Total Acres in Lease: 25889

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	24	Line Pipe	120	207	120	0
SURF	20	16	65	800	612	800	0
1ST	13+1/2	10+3/4	40.5	5,999	1,599	5,999	0
2ND	9+7/8	7+5/8	29.7	12,799	801	12,799	5,339

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

33. Comments This is the permit for the vertical wellbore to 16378' TVD to evaluate the reservoirs to that depth. From there we will cement back up hole to our kickoff point. Once comented we will kickoff and build to horizontal. We will continue to drill the horizontal target. The distance on #17 is calculated from the nearest above ground utility. Please note Encana owns surface and minerals.

34. Location ID: 335573

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
400098900	PLAT	DH05-20 G29 595.Plat.pdf
400098901	DEVIATED DRILLING PLAN	DH05-20 G29 595.Directiona Plan.COGCC.pdf
400098902	LEASE MAP	Lease Maps.pdf
400098903	TOPO MAP	EF G29 595.Topos.pdf

Total Attach: 4 Files