

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:

400084570

Plugging Bond Surety

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: ORCHARD UNIT Well Number: 18-15H (K20OU)

8. Unit Name (if appl): ORCHARD Unit Number: COC 66496X

9. Proposed Total Measured Depth: 14000

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 20 Twp: 8S Rng: 96W Meridian: 6

Latitude: 39.332114 Longitude: -108.135217

Footage at Surface: 1468 FNL/FSL FSL 1682 FEL/FWL FWL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 5930 13. County: MESA

14. GPS Data:

Date of Measurement: 05/21/2010 PDOP Reading: 1.8 Instrument Operator's Name: C.D. SLAUGH

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

Footage at Top of Prod Zone: FNL/FSL 852 FSL 337 FEL/FWL 692 FSL 1631 FEL FEL
Sec: 20 Twp: 8S Rng: 96W Sec: 18 Twp: 8S Rng: 96W

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: 2399 ft

18. Distance to nearest property line: 2647 ft 19. Distance to nearest well permitted/completed in the same formation: 749 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.)
NIOBRARA	NBRR			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC58675

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):
T8S-R96W SECTION 8: SWNE, SE SECTION 17: ALL SECTION 18: LOTS 3, 4, SENE, SENW, E2SW, NESE S2SE (EXCLUDING RESERVED ROW) SECTION 19: LOTS 1, 2, NE, E2NW SECTION 21: SWSW

25. Distance to Nearest Mineral Lease Line: 603 ft 26. Total Acres in Lease: 1462

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	20	LINEPIPE	40	5	40	0
SURF	14+3/4	10+3/4	40.5	1,400	665	1,400	0
1ST	9+7/8	7+5/8	29.7	7,500	1,022	7,500	0
2ND	6+1/2	5	23.2	14,000	432	14,000	0

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

33. Comments TOP OF PRODUCTION CEMENT WILL BE 500' INSIDE THE INTERMEDIATE CASING. TOP OF THE INTERMEDIATE CEMENT WILL BE 200' ABOVE THE MESAVERDE. THE NEAREST PUBLIC ROAD IS 2399'.

34. Location ID: 334379

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: 8/13/2010 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: David S. Neslin Director of COGCC Date: 10/31/2010

API NUMBER

05 077 10112 00

Permit Number: _____ Expiration Date: 10/30/2012

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)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 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 92 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400084570	FORM 2 SUBMITTED	LF@2531080 400084570
400084593	DEVIATED DRILLING PLAN	LF@2531081 400084593
400084594	PLAT	LF@2531082 400084594
400084850	FED. DRILLING PERMIT	LF@2531083 400084850

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	RECEIVED SUNDRIES TO ABANDON LOCATIONS ON 20-11, 20-10 & 20-14 BY	10/29/2010 6:07:12 AM
Permit	opr resubmitted today with corrections - completeness passed	8/26/2010 4:15:10 PM
Permit	BH footages disagree with plate: 692' vs 629'; ALL else proofed/OK; returning to draft after phone attempt/message	8/16/2010 2:50:11 PM

Total: 3 comment(s)

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