

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:
2590303
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: NICK G. CURRAN Phone: (720)876-5288 Fax: (720)876-6288
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: EAST RINN Well Number: 3-6-15

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

9. Proposed Total Measured Depth: 8165

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 15 Twp: 2N Rng: 68W Meridian: 6
Latitude: 40.137970 Longitude: -104.990050

Footage at Surface: 2362 FNL/FSL FSL 2428 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4875 13. County: WELD

14. GPS Data:

Date of Measurement: 01/22/2010 PDOP Reading: 2.3 Instrument Operator's Name: CRAIG BURKE

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

Footage at Top of Prod Zone: FNL/FSL 1250 FSL 1750 FWL 1250 FSL 1750 FWL
Sec: 15 Twp: 2N Rng: 68W Sec: 15 Twp: 2N Rng: 68W

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: 282 ft

18. Distance to nearest property line: 165 ft 19. Distance to nearest well permitted/completed in the same formation: 722 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | 407 | 160 | SW4 |
| J SAND | JSND | 232-23 | 320 | S2 |
| NIOBRARA | NBRR | 407 | 160 | SW4 |

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):
 SW/4 LESS 2.88 ACRE TRACT LOCATED IN THE NWSW

25. Distance to Nearest Mineral Lease Line: 905 ft 26. Total Acres in Lease: 157

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| SURF | 12+1/4 | 8+5/8 | 24 | 750 | 320 | 750 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 8,165 | 270 | 8,165 | 7,135 |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. Encana Oil & Gas (USA) Inc. requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Waivers are attached.

34. Location ID: 305244

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: NICK G. CURRAN

Title: PERMITTING Date: 9/16/2010 Email: NICK.CURRAN@ENCANA.CO

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. Nashin Director of COGCC Date: 11/2/2010

API NUMBER
 05 123 32502 00

Permit Number: _____ Expiration Date: 11/1/2012

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) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|--------------------|
| 2590303 | APD ORIGINAL | LF@2544831 2590303 |
| 2590323 | WELL LOCATION PLAT | LF@2544832 2590323 |
| 2590324 | TOPO MAP | LF@2544906 2590324 |
| 2590325 | MINERAL LEASE MAP | LF@2544904 2590325 |
| 2590326 | SURFACE AGRMT/SURETY | LF@2544833 2590326 |
| 2590327 | 30 DAY NOTICE LETTER | LF@2544834 2590327 |
| 2590328 | DEVIATED DRILLING PLAN | LF@2544905 2590328 |
| 2590329 | EXCEPTION LOC REQUEST | LF@2544835 2590329 |
| 2590330 | EXCEPTION LOC WAIVERS | LF@2544836 2590330 |
| 2622093 | EXCEPTION LOC REQUEST | LF@2612122 2622093 |
| 2622094 | EXCEPTION LOC WAIVERS | LF@2612123 2622094 |

Total Attach: 11 Files

General Comments

| User Group | Comment | Comment Date |
|------------|--|--------------------------|
| Permit | Uploaded twinning request and consent to application as attachment. PVG | 11/1/2010 3:56:46 PM |
| Permit | ON HOLD. Application requires a twinning waiver. PVG | 10/13/2010 4:42:43 PM |
| Permit | As per Phil G: These applications may be reviewed for completeness now. The location will not need a 306.d variance. Also, with guidance from opr-Nick use the SUA and remove all bond related data, and not that the Topo Map is for East Rinn 0-4-15, but is on same pad | 9/27/2010 1:36:09 PM |
| Permit | From Kent: fail per opr request in discussions Nick Curran with Phil Glasgow about density; consultation may be needed/or alternative; doc needs full proofing | 9/22/2010 11:40:42 AM |

Total: 4 comment(s)

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