

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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Document Number:

400075832

Plugging Bond Surety

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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 ☐

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: Judith Walter Phone: (720)876-3702 Fax: (720)876-4702

Email: judith.walter@encana.com

7. Well Name: CB Fed Well Number: DH03-21 A286100

8. Unit Name (if appl): Cedar Bench Unit Number: COC48964X

9. Proposed Total Measured Depth: 13739

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 28 Twp: 6S Rng: 100W Meridian: 6

Latitude: 39.510025 Longitude: -108.551153

Footage at Surface: 690 feet FNL/FSL FNL 465 feet FEL/FWL FEL

11. Field Name: Gasaway Field Number: 29560

12. Ground Elevation: 6654 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/02/2010 PDOP Reading: 1.3 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 227 FSL 877 FEL 671 FSL 1787 FWL 671 FSL 1787 FWL 671
Sec: 21 Twp: 6S Rng: 100 W Sec: 16 Twp: 6S Rng: 100 W

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: 156 ft

18. Distance to nearest property line: 1240 ft 19. Distance to nearest well permitted/completed in the same formation: 3562 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 #: COC13801

22. Surface Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#: 0

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):
T6S, R100W, Section 16: S1/2, NW1/4; Sec 17: Lots 1-4, N1/2, W1/2 SW 1/4, E1/2 SE 1/4; Sec 18: Lots 5-8, E1/2 NW1/4, NE1/4 SW1/4, W1/2 NE1/4, NW1/4 SE1/4, E1/2 E1/2; Sec 20: W1/2 W1/2

25. Distance to Nearest Mineral Lease Line: 650 ft 26. Total Acres in Lease: 1739

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, Amend and 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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt 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		5,986	293	5,986	3,256
2ND	6+1/2	4+1/2	13.5		13,739	602	13,739	5,786

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

33. Comments Item 17. Distance to nearest public road is 156' to CR 204 Surface hole: 13-1/2", Intermediate Hole: 9-7/8", Production hole: 6-1/2", Intermediate Cmt Top calc 500' above TOG. On-sites 4/8/10 with BLM; 5/20/10 BLM USFWS and WestWater Engineering. Item 19. Distance to nearest well permitted/completed in the same formation 3562' to Cedar Bench Federal 6305.

34. Location ID: 0

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: Judith Walter

Title: Regulatory Analyst Date: 8/9/2010 Email: judith.walter@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: 12/12/2010

Permit Number: _____ Expiration Date: 12/11/2012

API NUMBER

05 045 20212 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
1791891	WELL LOCATION PLAT
1791892	DEVIATED DRILLING PLAN
400075832	FORM 2 SUBMITTED
400083469	TOPO MAP
400083470	TOPO MAP
400083471	TOPO MAP
400083473	OTHER
400083475	FED. DRILLING PERMIT

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	"re-pass" by ENGR	11/12/2010 1:27:22 PM
Permit	ENCANA HAS SUBMITTED THESE CHANGES TMD 13739', BHL 671 FSL, 1787 FWL, DISTANCE TO NEAREST PROPERTY LINE 1240', DISTANCE TO NEAREST WELL ... 3562', DISTANCE TO NEAREST LEASE LINE 650', CONDUCTOR 30", 1ST SETTING DEPTH 5986, SACKS 293, CEMENT BOTTOM 5986, 2ND SETTING DEPTH 13739, SACKS 602, CEMENT BOTTOM 13739 CEMENT TOP 5786.	11/12/2010 6:36:13 AM
Permit	There are two 2's with this 2A. Issue is that the Federal Unit outline supplied by EnCana doesn't match the LRS or what is on our website. EnCana land department was going to "look into it". EnCana was going to resubmit BHL for the DH03-21 as it was "too close" to the unit boundary. It appears to be OK lease wise but the DH08-29 appears to be very close to the lease line for the "permit TD".	9/20/2010 9:55:24 AM
Permit	Opr corrected. kk	8/13/2010 3:41:43 PM
Permit	Back to Draft. Too many attachments 8/10 kk	8/10/2010 4:08:01 PM
Permit	WO OPERATOR There are two 2's with this 2A. Issue is that the Federal Unit outline supplied by EnCana doesn't match the LRS or what is on our website. EnCana land department was going to "look into it". EnCana was going to resubmit BHL for the DH03-21 as it was "too close" to the unit boundary. It appears to be OK lease wise but the DH08-29 appears to be very close to the lease line for the "permit TD".	

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)