

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:

400075857

Plugging Bond Surety

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: DH08-29 A286100

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

9. Proposed Total Measured Depth: 13980

WELL LOCATION INFORMATION

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

Latitude: 39.509967 Longitude: -108.551200

Footage at Surface: 711 feet FNL/FSL FNL 478 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: 1.5 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 891 FNL 1463 FEL 2055 FNL 2513 FWL 2055 FNL 2513 FWL 2513
Sec: 28 Twp: 6S Rng: 100 W Sec: 29 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: 478 ft 19. Distance to nearest well permitted/completed in the same formation: 898 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 #: COC10374

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):
T6S, R100W, Section 29: Lots 1 thru 8, W1/2NW1/4, N1/2SW1/4; Section 30: Lots 5 thru 8, E1/2W1/2, E1/2 ALL; Section 31: Lots 5 thru 10, NE1/4, E1/2NW1/4, N1/2SE1/4, E1/2SW1/4, Tr. 46 located in Sections 20,21,28 and 29; T6S R101W, Section 25: E1/2; Section 36: E1/2, SW1/4

25. Distance to Nearest Mineral Lease Line: 595 ft 26. Total Acres in Lease: 2528

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		5,937	286	5,937	3,278
2ND	6+1/2	4+1/2	13.5		13,980	624	13,980	5,737

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" or 14-3/4", 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 25. Distance to nearest Mineral lease line 595' SE. Item 19. Distance to nearest well permitted/completed in the same formation 898' from CB Fed. 6304.

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. Neslin Director of COGCC Date: 12/12/2010

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

API NUMBER

05 045 20213 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
1791908	DEVIATED DRILLING PLAN
1791909	CORRESPONDENCE
400075857	FORM 2 SUBMITTED
400083450	WELL LOCATION PLAT
400083451	DEVIATED DRILLING PLAN
400083452	DRILLING PLAN
400083453	LOCATION PICTURES
400083454	CONST. LAYOUT DRAWINGS
400083455	CONST. LAYOUT DRAWINGS
400083456	LOCATION DRAWING
400083457	TOPO MAP
400083458	TOPO MAP
400083459	TOPO MAP
400083461	FED. DRILLING PERMIT
400083474	OTHER

Total Attach: 15 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	CHANGES AS INDICATED IN RED HAVE BEEN MADE TO THIS PERMIT. VIA EMAILBill, Please see the attached Permit with the changes in red. Attached is the Revision 1 (R_1) changes to the APD, Deviated Drilling Plan #3, and BHL's for both the horizontal wells. Please let me know if you need anything else. I will be submitting the Vertical Pilot for this well here shortly. Thanks, Judy Walter	11/18/2010 2:44:05 PM
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 too close to the lease line for the "permit TD".	9/20/2010 9:54:11 AM
Permit	WO INF FROM OPERATOR, the "permit TD" is not in compliance with Rule 318 a. it is 590" from the lease line. BY 9/15/10	9/15/2010 5:32:27 AM
Permit	Returned to DRAFT at operator request via Judy Walter email for changes to line # 15 8/10/10 BY	8/10/2010 5:00:17 AM
Permit	WO INF FROM OPERATOR. 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 too close to the lease line for the "permit TD". WO INF FROM OPERATOR, the "permit TD" is not in compliance with Rule 318 a. it is 590" from the lease line. BY 9/15/10	

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)