

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:
400119142
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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890
Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: KUGEL Well Number: 1-18

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

9. Proposed Total Measured Depth: 8020

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 18 Twp: 2N Rng: 67W Meridian: 6
Latitude: 40.142142 Longitude: -104.937652

Footage at Surface: 1315 feet ^{FNL/FSL} FNL 1173 feet ^{FEL/FWL} FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4929 13. County: WELD

14. GPS Data:

Date of Measurement: 05/11/1990 PDOP Reading: 1.5 Instrument Operator's Name: HOLLOWAY

15. 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 No

17. Distance to the nearest building, public road, above ground utility or railroad: 1076 ft

18. Distance to nearest property line: 1173 ft 19. Distance to nearest well permitted/completed in the same formation: 835 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	407-87	80	GWA
NIOBRARA	NBRR	407-87	80	GWA

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):
T1N-R66W-SEC. 4: SENE

25. Distance to Nearest Mineral Lease Line: 490 ft 26. Total Acres in Lease: 970

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24		349	175	349	0
1ST	7+7/8	4+1/2	11.6		8,020	350	8,020	6,510

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

33. Comments: Recompletion of the Kugel 1-18. This Form 2 does not require a Form 2A as the location meets all of the following five criteria: 1. The pad is existing 2. There will be no pits constructed as Encana will be using a closed loop system. 3. There will be no expansion or additional area of disturbance of this pad. 4. This location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). 5. This location does not fall within a wildlife restricted surface occupancy area. Please note that a hard copy of the Form 4 for this location has been mailed to the Commission.

34. Location ID: 336441

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: 12/28/2010 Email: JENNIFER.LIND@ENCANA.C

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

05 123 14611 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.

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Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400119161	WELLBORE DIAGRAM

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)