

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. COC27823	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone				6. If Indian, Allottee or Tribe Name	
2. Name of Operator ENCANA OIL & GAS (USA) INC. Contact: JEVIN R CROTEAU E-Mail: jevin.croteau@encana.com				7. If Unit or CA Agreement, Name and No.	
3a. Address 370 17TH STREET SUITE 1700 DENVER, CO 80202		3b. Phone No. (include area code) Ph: 720-876-5339 Fx: 720-876-6339		8. Lease Name and Well No. FEDERAL 31-2 (PF-31)	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENW 2329FNL 1459FWL 39.39494 N Lat, 108.04349 W Lon At proposed prod. zone NWNE 1067FNL 2292FEL 39.39838 N Lat, 108.03831 W Lon				9. API Well No.	
14. Distance in miles and direction from nearest town or post office* 4 MILES SOUTH OF PARACHUTE, CO				10. Field and Pool, or Exploratory PARACHUTE	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1459'		16. No. of Acres in Lease 592.80		11. Sec., T., R., M., or Blk. and Survey or Area Sec 31 T7S R95W Mer 6PM	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 290'		19. Proposed Depth 6825 MD 6725 TVD		12. County or Parish GARFIELD COUNTY	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5834 GL		22. Approximate date work will start 08/01/2011		13. State CO	
				17. Spacing Unit dedicated to this well	
				20. BLM/BIA Bond No. on file COB000235	
				23. Estimated duration 30 DAYS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) JEVIN R CROTEAU Ph: 720-876-5339	Date 02/16/2011
Title REGULATORY ANALYST		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #102706 verified by the BLM Well Information System
For ENCANA OIL & GAS (USA) INC., sent to the Glenwood Springs

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional Operator Remarks:

APD processing fee and Geospatial data will be sent via U.S. Mail.