

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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| DE | ET | OE | ES |
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Document Number:
400138639
Plugging Bond Surety
20100017

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: DeAnne Spector Phone: (720)876-5826 Fax: (720)876-6826
 Email: deanne.spector@encana.com

7. Well Name: MCU Fee Well Number: 17-16B (M16W)

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

9. Proposed Total Measured Depth: 10703

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 16 Twp: 7S Rng: 93W Meridian: 6
 Latitude: 39.439894 Longitude: -107.783227

Footage at Surface: 554 feet FSL 1285 feet FWL
FNL/FSL FEL/FWL

11. Field Name: Mamm Creek Field Number: 52500

12. Ground Elevation: 7887 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/22/2010 PDOP Reading: 0.0 Instrument Operator's Name: Ted Taggart

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

Footage at Top of Prod Zone: 1150 FSL 1140 FEL Bottom Hole: 1150 FSL 1140 FEL
FNL/FSL FEL/FWL FNL/FSL FEL/FWL
 Sec: 17 Twp: 7S Rng: 93W Sec: 17 Twp: 7S Rng: 93W

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: 815 ft

18. Distance to nearest property line: 554 ft 19. Distance to nearest well permitted/completed in the same formation: 330 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Mesa Verde | MSVD | | | |

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):
T7S-R93W; Sec. 4: Lots 1, 2, E2SW; Sec. 8: S2NW, N2SW; Sec. 9: E2W2, NWNE; Sec. 16: SWNW, NWSW; Sec. 17: E2SE.

25. Distance to Nearest Mineral Lease Line: _____ 143 _____ 26. Total Acres in Lease: _____ 643 _____

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 24+0/0 | 16+0/0 | 65 | 0 | 40 | 5 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,070 | 346 | 1,070 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 10,703 | 736 | 10,703 | 0 |

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

33. Comments TOC will be 500'> TOG.

34. Location ID: _____

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: DeAnne Spector

Title: Regulatory Analyst Date: _____ Email: deanne.spector@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: _____ Director of COGCC Date: _____

| | | |
|-------------------|--|------------------------|
| API NUMBER | Permit Number: _____ | Expiration Date: _____ |
| 05 | 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> |
|--------------------|------------------------|
| 400138653 | PLAT |
| 400138654 | DEVIATED DRILLING PLAN |

Total Attach: 2 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> |
|-------------|----------------|
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Total: 0 comment(s)