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|--|--|---|--|----|----|----|----|
| <b>FORM</b><br><b>2</b><br>Rev<br>12/05  | <b>State of Colorado</b><br><b>Oil and Gas Conservation Commission</b><br>1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109 |  | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DE</td> <td style="width: 25%;">ET</td> <td style="width: 25%;">OE</td> <td style="width: 25%;">ES</td> </tr> </table> | DE | ET | OE | ES |
| DE   | ET   | OE  | ES   |    |    |    |    |
| <b>APPLICATION FOR PERMIT TO:</b>  |  |   | Document Number:<br>400140592<br>Plugging Bond Surety<br>20100017  |    |    |    |    |
| 1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate   |  |   |  |    |    |    |    |
| 2. TYPE OF WELL<br>OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____<br>SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>   |  | Refiling <input type="checkbox"/><br>Sidetrack <input type="checkbox"/>             |  |    |    |    |    |
| 3. Name of Operator: <u>ENCANA OIL &amp; GAS (USA) INC</u> 4. COGCC Operator Number: <u>100185</u>   |  |   |  |    |    |    |    |
| 5. Address: <u>370 17TH ST STE 1700</u><br>City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202-5632</u>   |  |   |  |    |    |    |    |
| 6. Contact Name: <u>Heather Mitchell</u> Phone: <u>(720)876-3070</u> Fax: <u>(720)876-4070</u><br>Email: <u>heather.mitchell@encana.com</u>  |  |   |  |    |    |    |    |
| 7. Well Name: <u>N. Parachute EMF</u> Well Number: <u>13B-16 F17 595</u>   |  |   |  |    |    |    |    |
| 8. Unit Name (if appl): _____    Unit Number: _____  |  |   |  |    |    |    |    |
| 9. Proposed Total Measured Depth: <u>12221</u>   |  |   |  |    |    |    |    |
| <b>WELL LOCATION INFORMATION</b>   |  |   |  |    |    |    |    |
| 10. QtrQtr: <u>SENW</u> Sec: <u>17</u> Twp: <u>5S</u> Rng: <u>95W</u> Meridian: <u>6</u><br>Latitude: <u>39.615144</u> Longitude: <u>-108.078836</u>   |  |   |  |    |    |    |    |
| Footage at Surface: <u>2165</u> feet    FNL/FSL <u>FNL</u> 2417 feet    FEL/FWL <u>FWL</u>   |  |   |  |    |    |    |    |
| 11. Field Name: <u>Grand Valley</u> Field Number: <u>31290</u>   |  |   |  |    |    |    |    |
| 12. Ground Elevation: <u>6319</u> 13. County: <u>GARFIELD</u>  |  |   |  |    |    |    |    |
| 14. GPS Data:<br>Date of Measurement: <u>09/21/2010</u> PDOP Reading: <u>1.4</u> Instrument Operator's Name: <u>Robert Kay</u>   |  |   |  |    |    |    |    |
| 15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b><br>Footage at Top of Prod Zone:    FNL/FSL    FEL/FWL    Bottom Hole:    FNL/FSL    FEL/FWL<br><u>631</u> <u>FSL</u> <u>162</u> <u>FWL</u> <u>631</u> <u>FSL</u> <u>162</u> <u>FWL</u><br>Sec: <u>16</u> Twp: <u>5S</u> Rng: <u>95W</u> Sec: <u>16</u> Twp: <u>5S</u> Rng: <u>95W</u> |  |   |  |    |    |    |    |
| 16. Is location in a high density area? (Rule 603b)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |  |   |  |    |    |    |    |
| 17. Distance to the nearest building, public road, above ground utility or railroad: <u>265 ft</u>   |  |   |  |    |    |    |    |
| 18. Distance to nearest property line: <u>1626 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>292 ft</u>  |  |   |  |    |    |    |    |
| <b>20. LEASE, SPACING AND POOLING INFORMATION</b>  |  |   |  |    |    |    |    |
| Objective Formation(s)   | Formation Code   | Spacing Order Number(s)   | Unit Acreage Assigned to Well  |    |    |    |    |
| Williams Fork  | WMFK   | 510-13  | Unit Configuration (N/2, SE/4, etc.)   |    |    |    |    |

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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):  
See attached lease maps

25. Distance to Nearest Mineral Lease Line: 1624 ft 26. Total Acres in Lease: 25889

**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: Recycle 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/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-----------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR   | 26           | 16             | Line Pipe | 0             | 120           | 117       | 120     | 0       |
| SURF        | 12+1/4       | 9+5/8          | 36#       | 0             | 1,700         | 370       | 1,700   | 0       |
| 2ND         | 7+7/8        | 4+1/2          | 11.6#     | 0             | 12,221        | 592       | 12,221  |         |

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

33. Comments Exxon owns surface and Encana owns the minerals. # 17 is calculated from the nearest public road. Conductor and surface casing will be run to surface. The size of the production hole is both 8-3/4" and 7-7/8". Production casing is set 200' above the WMFK.

34. Location ID: 421011

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: Heather Mitchell

Title: Regulatory Analyst Date: 3/10/2011 Email: heather.mitchell@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: 3/31/2011

**API NUMBER**

05 045 20575 00

Permit Number: \_\_\_\_\_ Expiration Date: 3/30/2013

**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) THE 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 00 FEET DEEP.

### **Attachment Check List**

| Att Doc Num | Name                   |
|-------------|------------------------|
| 400140592   | FORM 2 SUBMITTED       |
| 400140593   | TOPO MAP               |
| 400141303   | DEVIATED DRILLING PLAN |
| 400141304   | PLAT                   |
| 400141306   | OTHER                  |
| 400141307   | LEASE MAP              |
| 400141308   | SURFACE AGRMT/SURETY   |

Total Attach: 7 Files

### **General Comments**

| <b><u>User Group</u></b> | <b><u>Comment</u></b> | <b><u>Comment Date</u></b> |
|--------------------------|-----------------------|----------------------------|
|                          |                       |                            |

Total: 0 comment(s)

### **BMP**

| <b><u>Type</u></b> | <b><u>Comment</u></b> |
|--------------------|-----------------------|
|                    |                       |

Total: 0 comment(s)