

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:
400165430
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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240
Email: Julia.Carter@encana.com

7. Well Name: KM Well Number: DH5A-32 C08 799

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

9. Proposed Total Measured Depth: 18734

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 8 Twp: 7S Rng: 99W Meridian: 6
Latitude: 39.465700 Longitude: -108.466517

Footage at Surface: 867 feet FNL 2506 feet FWL

11. Field Name: Gasaway Field Number: 29560

12. Ground Elevation: 6429 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/27/2010 PDOP Reading: 1.9 Instrument Operator's Name: Ben Johnson

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 _____
519 FNL 2605 FWL 669 FNL 2472 FWL
Sec: 8 Twp: 7S Rng: 99W Sec: 32 Twp: 6S Rng: 99W

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: 260 ft

18. Distance to nearest property line: 453 19. Distance to nearest well permitted/completed in the same formation: 1383 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 #: _____

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):
Please see attached map

25. Distance to Nearest Mineral Lease Line: 669 ft 26. Total Acres in Lease: 10278

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 & 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	30	20	Line Pipe	0	120	319	120	0
SURF	13+1/2	10+3/4	40.5	0	1,750	500	1,750	0
1ST	9+7/8	7+5/8	29.7	0	6,100	383	6,100	2,546
2ND	6+1/2	4+1/2	13.5	0	18,734	972	18,734	5,900

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

33. Comments Encana Oil & Gas (USA) Inc owns surface and minerals. Please note cement will be run to surface for both conductor and surface casing. Please note that Intermediate casing is listed as 'first string' and Production casing is listed as 'second string'. The size of the Production casing will be both 4.5 and 5.5 and the weight per foot 13.5 and 20. Distance on #17 is calculated from the nearest public road.

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: Julia M. Carter

Title: Regulatory Analyst Date: 5/16/2011 Email: Julia.Carter@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. Nashin Director of COGCC Date: 6/17/2011

Permit Number: _____ Expiration Date: 6/16/2013

API NUMBER

05 045 20789 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.) INTERMEDIATE CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.
- 2.) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.
- 3.) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 0 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400165430	FORM 2 SUBMITTED
400165440	PLAT
400165441	DEVIATED DRILLING PLAN
400165442	TOPO MAP
400165446	LEASE MAP
400165447	OTHER

Total Attach: 6 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)