

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		<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
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APPLICATION FOR PERMIT TO:

1. **Drill,** Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER SideTrack Horizontal
 SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
 Sidetrack

Document Number:
 400172208
 Plugging Bond Surety

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: Jevin Croteau Phone: (720)876-5339 Fax: (720)876-6339
 Email: jevin.croteau@encana.com

7. Well Name: Federal Well Number: 2-6H (PL35NW)

8. Unit Name (if appl): Kirkendall Flat Unit Number: COC-74790X

9. Proposed Total Measured Depth: 16212

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 35 Twp: 9S Rng: 94W Meridian: 6
 Latitude: 39.237160 Longitude: -107.850941

Footage at Surface: 1325 feet FNL 2172 feet FWL
FNL/FSL FEL/FWL

11. Field Name: Brush Creek Field Number: 7562

12. Ground Elevation: 7519 13. County: MESA

14. GPS Data:

Date of Measurement: 01/18/2011 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: 1325 FNL 2172 FWL Bottom Hole: 2220 FNL 2302 FWL
FNL/FSL FEL/FWL FNL/FSL FEL/FWL
 Sec: 35 Twp: 9S Rng: 94W Sec: 2 Twp: 10S Rng: 94W

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: 3800 ft

18. Distance to nearest property line: 32 ft 19. Distance to nearest well permitted/completed in the same formation: 25200 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			

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: COC64798
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):
In the Kirkendall Flats (Deep) Unit, approved on May 26th, 2011. Unit map attached for reference.
25. Distance to Nearest Mineral Lease Line: 32 ft 26. Total Acres in Lease: 1643

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	16	65	0	40	118	40	0
SURF	14+3/4	10+3/4	40.5	0	1,500	818	1,500	0
1ST	9+7/8	7+5/8	26.4	0	8,000	848	8,000	3,302
2ND	6+3/4	5	23.2	0	16,212	894	16,212	4,066

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments This well will be drilled as a plug back horizontal well with the SHL on Lease COC-64797 and the BHL located on Lease COC-64798. The well will be completed in and produce from both leases which fall within the Kirkendall Flats (Deep) Unit which was recently approved by the BLM on May 20, 2011.

34. Location ID: 424424
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: Jevin Croteau
Title: Regulatory Analyst Date: 6/7/2011 Email: jevin.croteau@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: 7/24/2011

Permit Number: _____ Expiration Date: 7/23/2013

API NUMBER

05 077 10163 01

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) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.
- (3) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE WILLIAMS FORK. VERIFY CEMENT WITH A CEMENT BOND LOG. CBL ALSO REQUIRED IF PRODUCTION STRING IS CEMENTED.
- (4) 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
400172208	FORM 2 SUBMITTED
400172210	WELL LOCATION PLAT
400172211	DEVIATED DRILLING PLAN
400172212	MINERAL LEASE MAP
400172602	FED. DRILLING PERMIT

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	This pad is on both federal and fee surface. There is a SUA with the fee surface interest.	7/11/2011 4:52:03 PM
Permit	Added commingle as no Changed QQ to match Well Location Plat, field to Brush Creek, elevation to 7519', county to Mesa, and distance to property to 32' to match previously approved OGLA	7/11/2011 4:32:33 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)