

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:

400184055

PluggingBond SuretyID

20100017

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

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: Nick Curran Phone: (720)876-5288 Fax: (720)876-6288

Email: nick.curran@encana.com

7. Well Name: FILE Well Number: 8-2-17

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

9. Proposed Total Measured Depth: 8252

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 17 Twp: 2N Rng: 68W Meridian: 6

Latitude: 40.142910 Longitude: -105.023690

Footage at Surface: 1079 feet FNL 1700 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4882 13. County: WELD

14. GPS Data:

Date of Measurement: 05/09/2011 PDOP Reading: 2.1 Instrument Operator's Name: CRAIG BURKE

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 _____
1450 FNL 50 FEL 1450 FNL 50 FEL
Sec: 17 Twp: 2N Rng: 68W Sec: 17 Twp: 2N Rng: 68W

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: 393 ft

18. Distance to nearest property line: 216 ft 19. Distance to nearest well permitted/completed in the same formation: 784 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | 407-87 | 160 | GWA |
| J SAND | JSND | 232 | 160 | GWA |
| NIOBRARA | NBRR | 407-87 | 160 | GWA |

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 LEASE

25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 17

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: close loop sys will be used

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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 550 | 200 | 550 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,252 | 168 | 8,252 | 7,204 |

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

33. Comments NO OPEN HOLE LOGS WILL BE RAN. NO CONDUCTOR CASING WILL BE USED. Proposed Spacing Unit E/2NE/4 section 17, W/2NW/4 section 16 T2N-R68W.

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: NICK CURRAN

Title: PERMITTING AGENT Date: 7/12/2011 Email: NICK.CURRAN@ENCANA.

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: 8/7/2011

API NUMBER

05 123 34131 00

Permit Number: _____ Expiration Date: 8/6/2013

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) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 400184055 | APD APPROVED |
| 400184456 | TOPO MAP |
| 400184458 | 30 DAY NOTICE LETTER |
| 400184459 | OTHER |
| 400184461 | LEGAL/LEASE DESCRIPTION |
| 400184462 | DEVIATED DRILLING PLAN |
| 400184463 | PROPOSED SPACING UNIT |
| 400184464 | WELL LOCATION PLAT |
| 400184465 | SURFACE AGRMT/SURETY |
| 400184466 | LEASE MAP |
| 400193023 | FORM 2 SUBMITTED |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|----------------------------------------|----------------------------|
| Permit | SUA selected and bond id attached. SJF | 7/13/2011 7:05:50 AM |

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)