

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:

400186804

PluggingBond SuretyID

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: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070

Email: heather.mitchell@encana.com

7. Well Name: South Canyon Federal Well Number: 7-13

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

9. Proposed Total Measured Depth: 5576

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 7 Twp: 6S Rng: 103W Meridian: 6

Latitude: 39.559308 Longitude: -108.916734

Footage at Surface: 696 feet FNL 2171 feet FEL

11. Field Name: South Canyon Field Number: 77750

12. Ground Elevation: 6365 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/05/2007 PDOP Reading: 3.4 Instrument Operator's Name: Brian Baker

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

Sec: Twp: Rng: Sec: Twp: Rng:

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: 85 ft

18. Distance to nearest property line: 708 ft 19. Distance to nearest well permitted/completed in the same formation: 46400 ft

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 #: COC13805

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):
 T6S R103W Sec. 6 - Lots 6,7 SESW, Sec. 7 NE/4, Sec. 9 - SW/4

25. Distance to Nearest Mineral Lease Line: 674 ft 26. Total Acres in Lease: 358

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
SURF	17+1/2	13+3/8	54	0	163	295	163	0
1ST	11+1/2	8+5/8	32	0	1,665	491	1,655	0
2ND	6+1/4	4+1/2	11.6	0	5,555	400	5,555	4,500

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

33. Comments Encana has expanded the pad and a form 2a will be filed.

34. Location ID: 323992

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: 7/19/2011 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: 8/28/2011

API NUMBER
05 045 07195 00

Permit Number: _____ Expiration Date: 8/27/2013

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) PRODUCTION CASING MUST HAVE 200' OR MORE CEMENT ABOVE UPPER-MOST PROPOSED PERFORATION. CEMENT-TOP VERIFICATION BY CBL REQUIRED.

Attachment Check List

Att Doc Num	Name
2089466	EXCEPTION LOC REQUEST
400186804	FORM 2 SUBMITTED

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached 502.b exception location request	8/24/2011 11:01:41 AM
Permit	Distance to public road, 85', does not meet safety setbacks Indicated surface owner's signature is not on lease, corrected to yes per Heather Mitchell Heather Mitchell will submit an exception location request	8/23/2011 3:44:57 PM
Engineer	waiting on completed Form 4, with "see attached recomplete procedure" including wellbore diagram(s). Those are not in wellfiles, yet. Information received 8/3.	7/26/2011 4:30:41 PM
Permit	No answer to #19.	7/20/2011 7:31:39 AM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)