

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

Document Number:
 400198828
 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: MIRACLE PFISTER Phone: (720)876-3761 Fax: (720)876-4861
 Email: miracle.pfister@encana.com

7. Well Name: KEINATH FEDERAL Well Number: 10-16H (H16OU)

8. Unit Name (if appl): ORCHARD Unit Number: COC66496X

9. Proposed Total Measured Depth: 15243

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 16 Twp: 8S Rng: 96W Meridian: 6
 Latitude: 39.350993 Longitude: -108.106870

Footage at Surface: 2185 feet FNL 680 feet FEL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 5845 13. County: MESA

14. GPS Data:

Date of Measurement: 07/14/2010 PDOP Reading: 3.7 Instrument Operator's Name: C.D. SLAUGH

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: 1643 FNL 1117 FEL Bottom Hole: 1433 FSL 710 FEL
 Sec: 16 Twp: 8S Rng: 96W Sec: 10 Twp: 8S Rng: 96W

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: 1004 ft

18. Distance to nearest property line: 680 ft 19. Distance to nearest well permitted/completed in the same formation: 1500 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 GROUP	MNCS			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC58674

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):

8S-96W FEDERAL LEASE - SEC 9: NE, S2NW, S2 SEC 10: W2NW, SW, W2SE SEC 14: SWNW, NWSW, SESW SEC 15: W2E2, SENE, W2, NESE SEC 16: ALL 2200 ACRES FEE LEASE - SEC 10: SESE 40 ACRES

25. Distance to Nearest Mineral Lease Line: 629 ft 26. Total Acres in Lease: 2240

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	20	LINEPIPE	0	40	5	40	0
SURF	14+3/4	10+3/4	40.5	0	1,510	717	1,510	0
1ST	9+7/8	7+5/8	26.4	0	7,700	1,045	7,700	0
2ND	6+3/4	5	23.2	0	15,243	568	15,243	7,200

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

33. Comments THE NEAREST DISTANCE IS TO A ABOVE GROUND UTILITY. INTEREMDIATE CASING TOP OF CEMENT WILL BE 200' ABOVE MESAVERDE. TOP OF PRODUCTION CEMENT WILL BE 500 FT INSIDE THE INTERMEDIATE CASING. MINERAL OWNERSHIP IS MOSTLY FEDERAL BUT THE BOTTOM HOLE LOCATION IS IN A FEE LEASE. BOTH LEASES ARE IN THE ORCHARD UNIT.

34. Location ID: 334148

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: MIRACLE PFISTER

Title: REGULATORY ANALYST Date: _____ Email: miracle.pfister@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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400200323	DEVIATED DRILLING PLAN
400200324	DRILLING PLAN
400200326	PLAT
400200327	SURFACE AGRMT/SURETY
400200328	30 DAY NOTICE LETTER

Total Attach: 5 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)