

**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:  
 400199043  
 Plugging Bond Surety  
 20100017

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: N. Parachute Well Number: DHS3B-23 H15596  
 8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_  
 9. Proposed Total Measured Depth: 19431

**WELL LOCATION INFORMATION**

10. QtrQtr: SENE Sec: 15 Twp: 5S Rng: 96W Meridian: 6  
 Latitude: 39.615969 Longitude: -108.146514  
 Footage at Surface: 2319 feet FNL 124 feet FEL  
 11. Field Name: Grand Valley Field Number: 31290  
 12. Ground Elevation: 6433 13. County: GARFIELD

14. GPS Data:  
 Date of Measurement: 11/22/2010 PDOP Reading: 2.6 Instrument Operator's Name: Robert Kay

15. If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**  
 Footage at Top of Prod Zone: 2264 FNL 949 FWL Bottom Hole: 1672 FNL 1394 FEL  
 Sec: 14 Twp: 5S Rng: 96W Sec: 23 Twp: 5S 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: 12777 ft  
 18. Distance to nearest property line: 124 ft 19. Distance to nearest well permitted/completed in the same formation: 15506 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 #: \_\_\_\_\_  
 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):

See attached lease maps

25. Distance to Nearest Mineral Lease Line: 852 ft 26. Total Acres in Lease: 25889

### 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
CONDUCTOR	30	20	line pipe	0	120		120	0
SURF	14+3/4	10+3/4	46	0	2,500	885	2,500	0
2ND	9+7/8	7+5/8	30	0	11,400	856	11,400	
3RD	6+1/2	5	23	0	18,537	508	18,537	

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

33. Comments BLM owns surface and Encana owns the minerals. Surface is being covered by ROW with BLM# 17 is calculated from the nearest public utility. Conductor and surface casing cement will be run to surface. 2nd string will be cemented to 200' above TOG. 3rd string will be cemented into the 2nd string. 3rd string is a tapered string

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: Heather Mitchell

Title: Regulatory Analyst Date: 8/29/2011 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: \_\_\_\_\_ 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
400199043	FORM 2 SUBMITTED
400199046	OTHER
400199047	DEVIATED DRILLING PLAN
400199048	WELL LOCATION PLAT
400199049	MINERAL LEASE MAP

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)