

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL
 OIL GAS COALBED OTHER Injection Well
 SINGLE ZONE MULTIPLE COMMINGLE

Refiling
 Sidetrack

Document Number:
 400209016
 PluggingBond SuretyID
 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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240
 Email: Julia.Carter@encana.com
 7. Well Name: SG Well Number: WD16A-19 C19495
 8. Unit Name (if appl): Story Gulch Unit Number: COC69333X
 9. Proposed Total Measured Depth: 10167

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 19 Twp: 4S Rng: 95W Meridian: 6
 Latitude: 39.693117 Longitude: -108.098683
 Footage at Surface: 751 feet FNL 2528 feet FWL
 11. Field Name: Wildcat Field Number: 99999
 12. Ground Elevation: 8122 13. County: GARFIELD

14. GPS Data:
 Date of Measurement: 06/21/2010 PDOP Reading: 1.2 Instrument Operator's Name: Greg Olsen

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: 1291 FSL 50 FEL Bottom Hole: 1291 FSL 50 FEL
 Sec: 19 Twp: 4S Rng: 95W Sec: 19 Twp: 4S Rng: 95W

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: 2125 ft
 18. Distance to nearest property line: 751 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1331 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Wasatch | WSTC | | | |

21. Mineral Ownership: Fee State Federal Indian Lease #: COC64805
 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):

T4S, R95W, Sec 19: All, Sec 20: W2, Sec 28: N2, N2SW4, Sec 29: N2, Sec 30: NE4

25. Distance to Nearest Mineral Lease Line: 2630 ft 26. Total Acres in Lease: 1842

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 & 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 | 26 | 20 | Line Pipe | 0 | 120 | | 120 | |
| SURF | 14+3/4 | 9+5/8 | 36# | 0 | 3,000 | 939 | 3,000 | |
| 1ST | 8+3/4 | 5+1/2 | 17# | 0 | 10,167 | 1,231 | 10,167 | |

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

33. Comments Please note Encana Oil & Gas (USA) Inc. owns the surface. This well is designed to be used as an injection well. #17 is measured from the nearest public road. Surface casing hole size will be 14-3/4", 12-1/4" or 13-1/2". Conductor and surface casing will be run to surface. Production casing will be run 200' into surface.

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: Julia M. Carter

Title: Regulatory Analyst Date: 9/27/2011 Email: Julia.Carter@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 |
|-------------|------------------------|
| 400209016 | FORM 2 SUBMITTED |
| 400209033 | TOPO MAP |
| 400209035 | WELL LOCATION PLAT |
| 400209037 | DEVIATED DRILLING PLAN |

Total Attach: 4 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)