

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:

400209070

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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890

Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: MELBON RANCH Well Number: 4A-17H

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

9. Proposed Total Measured Depth: 11723

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 17 Twp: 2N Rng: 65W Meridian: 6

Latitude: 40.136880 Longitude: -104.679970

Footage at Surface: 1977 feet FSL 436 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4901 13. County: WELD

14. GPS Data:

Date of Measurement: 08/20/2011 PDOP Reading: 1.4 Instrument Operator's Name: BURKE

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

Footage at Top of Prod Zone: 1730 FSL 522 FEL Bottom Hole: 1750 FSL 460 FWL
Sec: 17 Twp: 2N Rng: 65W Sec: 17 Twp: 2N Rng: 65W

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: 414 ft

18. Distance to nearest property line: 22 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 244 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.)
NIOBRARA	NBRR	407	320	S/2

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):

T2N-R65W-SEC.17: N/2NE, S/2

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 400

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	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	40	0	800	198	800	0
1ST	8+3/4	7	26	0	7,345	897	7,345	500
2ND	6+1/8	4+1/2	13.5	0	11,723			

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

33. Comments ENCANA REQUESTS THE APPROVAL OF THE OMISSION OF OPEN HOLE LOGS ON THIS WELL. REQUEST LETTER ATTACHED. ENCANA ALSO REQUESTS THE APPROVAL OF A RULE 318A.a AND RULE 603.a EXCEPTION LOCATION AS THE WELL HEAD WILL BE LOCATED OUTSIDE A GWA DRILLING WINDOW AND CLOSER THAN 150' TO A PROPERTY LINE. WAIVERS ARE ATTACHED.

34. Location ID: 332025

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: _____ Email: JENNIFER.LIND@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: _____ 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
400210521	WELL LOCATION PLAT
400210551	30 DAY NOTICE LETTER
400210552	TOPO MAP
400210555	OTHER
400210556	DEVIATED DRILLING PLAN
400210557	EXCEPTION LOC WAIVERS
400210560	MINERAL LEASE MAP
400210566	EXCEPTION LOC REQUEST
400210569	PROPOSED SPACING UNIT

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
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<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

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

Total: 0 comment(s)