

**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:  
400209418

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: JENNIFER LIND      Phone: (720)876-5890      Fax: (720)876-6890  
Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: BURY CRANDELL      Well Number: 42-23

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8533

**WELL LOCATION INFORMATION**

10. QtrQtr: NENE      Sec: 23      Twp: 1N      Rng: 68W      Meridian: 6  
Latitude: 40.041310      Longitude: -104.964850

Footage at Surface:      1046 feet      FNL      1019 feet      FEL

11. Field Name: WATTENBERG      Field Number: 90750

12. Ground Elevation: 5113      13. County: BROOMFIELD

14. GPS Data:  
Date of Measurement: 08/20/2009      PDOP Reading: 1.6      Instrument Operator's Name: KNUTSON

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

1980      FNL      510      FEL      1980      FNL      510      FEL

Sec: 23      Twp: 1N      Rng: 68W      Sec: 23      Twp: 1N      Rng: 68W

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: 427 ft

18. Distance to nearest property line: 977 ft      19. Distance to nearest well permitted/completed in the same formation(BHL): 1080 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.)
CODELL	CODL	407	160	NE/4
J SAND	JSND	232	320	E/2
NIOBRARA	NBRR	407	160	NE/4

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):

T1N-R68W-SEC.23: NE/4

25. Distance to Nearest Mineral Lease Line: 510 ft 26. Total Acres in Lease: 160

### 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
SURF	12+1/4	8+5/8	24	0	1,090	350	1,090	0
1ST	7+7/8	4+1/2	11.6	0	8,533	310	8,533	7,358
			Stage Tool		5,581	240	5,581	4,583

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

33. Comments BURY CRANDELL 42-23 REFILE. NO CONDUCTOR CASING WILL BE UTILIZED.

34. Location ID: 321535

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: 10/3/2011 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: David S. Neslin Director of COGCC Date: 10/28/2011

#### API NUMBER

05 014 20685 00

Permit Number: \_\_\_\_\_ Expiration Date: 10/27/2013

#### 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) Note surface casing setting depth change from 800' to 1090'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 4) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

**Attachment Check List**

Att Doc Num	Name
400209418	FORM 2 SUBMITTED
400210645	DEVIATED DRILLING PLAN
400210648	SURFACE AGRMT/SURETY
400210649	WELL LOCATION PLAT
400210651	TOPO MAP
400210652	LEASE MAP
400210695	30 DAY NOTICE LETTER

Total Attach: 7 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Operator must meet water well testing requirements per Rule 318A.	10/25/2011 10:47:14 AM
Permit	No LGD or public comment received.	10/25/2011 10:47:07 AM
Permit	Okay to pass pending public comment 10/24/11	10/5/2011 10:31:06 AM
Permit	Returned to draft. 30 day notice letter attachment will not open.	10/3/2011 12:29:52 PM

Total: 4 comment(s)

**BMP**

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

Total: 0 comment(s)