

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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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:

400224647

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: Nick Curran Phone: (720)876-5288 Fax: (720)876-6288

Email: nick.curran@encana.com

7. Well Name: CANYON CREEK Well Number: 4-13

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

9. Proposed Total Measured Depth: 8501

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 13 Twp: 1N Rng: 69W Meridian: 6

Latitude: 40.049530 Longitude: -105.063010

Footage at Surface: 2031 feet FSL 2107 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5058 13. County: BOULDER

14. GPS Data:

Date of Measurement: 01/27/2010 PDOP Reading: 2.0 Instrument Operator's Name: CRAIG BURKE

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
1325 FSL 1325 FEL 1325 FSL 1325 FEL
Sec: 13 Twp: 1N Rng: 69W Sec: 13 Twp: 1N Rng: 69W

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: 491 ft

18. Distance to nearest property line: 211 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1090 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.)
CODELL	CODL	407-87	160	SE4
J SAND	JSND	232-32	160	SE4
NIOBRARA	NBRR	407-87	160	SE4

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):

NWSE of Sec. 13 1N-69W: SESE, W2SE less 20 acre tract described by m/bs and W2SWNESE

25. Distance to Nearest Mineral Lease Line: 212 ft 26. Total Acres in Lease: 105

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: CLOSE LOOP SYS WILL BE

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	790	280	790	0
1ST	7+7/8	4+1/2	11.6	0	8,501	300	8,501	7,326

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

33. Comments NO CONDUCTOR CASING WILL BE USED. NO CHANGES HAVE BEEN MADE TO INITIAL PERMIT SINCE ORIGINALLY FILED.

34. Location ID: 415299

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: NICK CURRAN

Title: PERMITTING AGENT Date: 11/17/2011 Email: NICK.CURRAN@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: 12/11/2011

API NUMBER

05 013 06634 00

Permit Number: _____ Expiration Date: 12/10/2013

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) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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
400224647	FORM 2 SUBMITTED
400224654	SURFACE AGRMT/SURETY
400224672	30 DAY NOTICE LETTER

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	12/8/2011 10:59:32 AM
Permit	Okay to pass pending public comment 12/08/11.	11/18/2011 3:45:37 PM
Permit	Operator corrected county and added Sect, Township, and Range for mineral lease. Form has passed completeness.	11/17/2011 1:45:34 PM
Permit	Returned to draft. Incorrect county and missing Sect, township, and range of mineral lease.	11/17/2011 12:52:43 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)