

FORM
2Rev
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



DE	ET	OE	ES
Document Number: 400246102			
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) INC4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070Email: heather.mitchell@encana.com7. Well Name: Albertson DHS Well Number: 1C-15 G15 71018. Unit Name (if appl): Mesagar Unit Unit Number: COC047655
X9. Proposed Total Measured Depth: 9416

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 15 Twp: 7S Rng: 101W Meridian: 6Latitude: 39.446525 Longitude: -108.646400Footage at Surface: 2562 feet FNL/FSL FNL 1383 feet FEL/FWL FEL11. Field Name: MESAGAR Field Number: 5431012. Ground Elevation: 6376 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 12/19/2011 PDOP Reading: 1.7 Instrument Operator's Name: Ben Johnson15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 2545 FNL 670 FEL 76 FNL 668 FEL 76
Sec: 15 Twp: 7S Rng: 101 Sec: 22 Twp: 7S Rng: 101
W W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 700 ft18. Distance to nearest property line: 236 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 9276 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.)
Mancos	MNCS			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 2009001123a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☒ No23b. 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):

T7S-R101WSection 15: Portion of Tract 39, Portion of Tract 40 Section 10: Portion of Tracts 38, 41 and 40 Section 14: Portion of Tract 39 S ection 15 and 16: Tract 42 Section 16 and 21: Tract 43 Section 22: Portion of Tract 39Section 23: Portion of Tract 39 Section 10: Tract 38 in E/2 and Tract 38 in W/2

25. Distance to Nearest Mineral Lease Line: 76 ft

26. Total Acres in Lease: 880

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	linepipe	0	120	319	120	0
SURF	14+3/4	10+3/4	40.5	0	1,000	469	1,000	0
1ST	9+7/8	7+5/8	26.4	0	4,860	197	4,860	
2ND	6+1/2	4+1/2	12	0	9,416	63	4,810	

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

33. Comments Distance in # 17 is from the nearest property line. Encana is finalizing a SUA with the surface owner. Conductor and surface casing cement will be run to surface. 1st string will be cemented to 200' above surface casing shoe. 1st string will be cemented into the 2nd string. 2nd string is a tapered string 5 1/2 to 4 1/2. Production casing is designed for an open hole packers type completion. Hydraulic set packers will be spaced 200-300' apart throughout the pay interval that will be activated with pressure from surface. Above the packers in the well will be a casing packer/pack valve system at 4810' in this well. Production cement will be pumped through the pack valve tool to cement 1000' ft into the intermediate casing. This cement, along with the casing packer and open hole packers, will create isolation from the production section

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: 1/30/2012

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: David S. Neslin

Director of COGCC Date: 2/26/2012

API NUMBER

05 045 21395 00

Permit Number: _____ Expiration Date: 2/25/2014

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

3) INTERMEDIATE AND PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

4) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400246102	FORM 2 SUBMITTED
400246386	WELL LOCATION PLAT
400247069	DIRECTIONAL DATA
400247070	DEVIATED DRILLING PLAN

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD and public comments waived. Final Comprehensive Review Status--passed	2/21/2012 8:11:34 AM
Permit	changed #17 to nearest road to 700' to agree w/ 2A.	2/1/2012 8:55:50 AM
Permit	Operator input surface and minerals information. This form has passed completeness.	1/31/2012 8:47:43 AM
Permit	Returned to draft. Missing surface and minerals information.	1/31/2012 6:28:22 AM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)