

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



Document Number:

400249777

Date Received:

02/13/2012

PluggingBond SuretyID

20100017

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER Injection
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: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070

Email: heather.mitchell@encana.com

7. Well Name: N. Parachute Well Number: CP05B-3 H04 596

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

9. Proposed Total Measured Depth: 11200

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 4 Twp: 5S Rng: 96W Meridian: 6

Latitude: 39.645442 Longitude: -108.165182

Footage at Surface: 2141 feet FNL 99 feet FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8273 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/06/2007 PDOP Reading: 1.6 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: 1655 FNL 352 FWL Bottom Hole: 1655 FNL 352 FWL
Sec: 3 Twp: 5S Rng: 96W Sec: 3 Twp: 5S Rng: 96W

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: 3200 ft

18. Distance to nearest property line: 2141 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 13200 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.)
Wasatch	WSTC			

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):

See attached minerals map

25. Distance to Nearest Mineral Lease Line: 1650 ft 26. Total Acres in Lease: 25889

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	20	16		0	97	130	97	0
SURF	14+3/4	9+5/8	36	0	2,019	1,108	2,019	0
2ND	8+3/4	7	23	0	7,759	720	7,759	1,819
3RD	6+1/8	4+1/2	12	7030	11,174	304	11,174	5,232

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

33. Comments Encana is requesting to convert this well to an injection well. A sundry with the procedure as well as an injection application will be filed along with this permit. The pad is existing and no new disturbance is intended. Encana owns surface at SHL and BHL.

34. Location ID: 335907

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: 2/13/2012 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:  Director of COGCC Date: 3/13/2012

API NUMBER
05 045 14543 00

Permit Number: _____ Expiration Date: 3/12/2014

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) BEFORE STIMULATING WELL, CAPTURE WATER SAMPLE FROM THOSE FORMATION(S) REQUESTED FOR INJECTION AND ANALYZE FOR TOTAL DISSOLVED SOLIDS. SUBMIT LAB ANALYSIS TO DENISE ONYSKIW AT DENISE.ONYSKIW@STATE.CO.US.

2) INJECTION IS NOT AUTHORIZED UNTIL APPROVAL OF FORM 31 AND 33.

3) A STEP RATE TEST TO DETERMINE FRACTURE PRESSURE IS PERMISSABLE BEFORE APPROVING FORMS 31 AND 33, BUT MUST BE GIVEN PRIOR APPROVAL TO CONDUCT THE TEST. PLEASE MAKE THE REQUEST VIA A SUNDRY NOTICE AND WITH IT SUBMIT A PROCEDURE AND CURRENT WELL DIAGRAM. GIVE 48 HR NOTICE BEFORE CONDUCTING THE APPROVED TEST.

4) RUN A CBL ON THE 7" INTERMEDIATE CASING

5) SUBMIT UPDATED WELL SCHEMATICS DEPICTING THE GRAY COLORED CEMENT COLUMN OUTSIDE THE SURFACE CASING

Attachment Check List

Att Doc Num	Name
400249777	FORM 2 SUBMITTED
400251645	MINERAL LEASE MAP

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Sundry doc #2541954 approved 3/13/2012. LGD passed; public comments waived. Final Comprehensive Review Status--passed.	3/13/2012 2:16:11 PM
Permit	sundry referred to in comments filed 2/14 with FORMS 31 & 33. added comment that Encana owns surface at BHL as well as at SHL.	2/21/2012 9:15:53 AM
LGD	Passed	2/16/2012 9:19:43 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)