

State of Colorado
Oil and Gas Conservation Commission

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Date Received:

03/23/2012

PluggingBond SuretyID

20100017

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☐ OTHER Strat Test

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: Powell DV Well Number: 08-23 H23 4101

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

9. Proposed Total Measured Depth: 6169

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 23 Twp: 4S Rng: 101W Meridian: 6

Latitude: 39.688764

Longitude: -108.692517

			FNL/FSL			FEL/FWL
Footage at Surface:	1617	feet	FNL	1126	feet	FEL

11. Field Name: Trail Canyon Field Number: 83820

12. Ground Elevation: 6753 13. County: RIO BLANCO

- #### 14. GPS Data:

Date of Measurement: 02/07/2012 PDOP Reading: 1.9 Instrument Operator's Name: Ben Johnson

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
<u>1850</u>		FNL	<u>1235</u>		FEL	<u>1850</u>		FNL	<u>1235</u>		FEL
Sec:	<u>23</u>	Twp:	<u>4S</u>	Rng:	<u>101</u>	Sec:	<u>23</u>	Twp:	<u>4S</u>	Rng:	<u>101</u>
					<u>W</u>						<u>W</u>

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: 773 ft

18. Distance to nearest property line: 360 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1270 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.)
Dakota	DKTA			

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#: 20090011

- 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):

Township 4 South, Range 101 West, 6th P. M. Section 23: W/2SE, Section 23: S/2NE. There are 2 separate mineral leases for this location, but the interest owners are the same. Encana currently has 50% of the mineral leases signed.

25. Distance to Nearest Mineral Lease Line: 533 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: 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	Line pipe	0	120	319	120	0
SURF	12+1/4	9+5/8	36	0	800	167	800	0
2ND	8+3/4	4+1/2	12	0	6,169	529	6,169	

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

33. Comments A surface use agreement is being finalized with the Surface Owner. Distance in # 17 is from the nearest public road. Conductor and surface casing cement will be run to surface. Production string is tapered so it is both 8 3/4 and 7 7/8. Top of cement will be set at 200' above TOG. This is a strat test well. It will be cored and logged, but will not be produced. The well is cased for micro seismic monitoring. This well wil TD in the Dakota.

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: 3/23/2012

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: _____

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
400264495	FORM 2 SUBMITTED
400264517	WELL LOCATION PLAT
400264518	DEVIATED DRILLING PLAN
400264519	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

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

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)