

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:

400267494

Date Received:

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 ☐

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: Erin Hochstetler Phone: (720)876-5827 Fax: ()

Email: erin.hochstetler@encana.com

7. Well Name: IONE Well Number: 8-2-8

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

9. Proposed Total Measured Depth: 8115

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 8 Twp: 2N Rng: 66W Meridian: 6

Latitude: 40.159410 Longitude: -104.792270

Footage at Surface: 160 feet FNL/FSL 170 feet FEL/FWL
FNL FEL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 4905 13. County: WELD

14. GPS Data:

Date of Measurement: 02/04/2010 PDOP Reading: 1.1 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 FNL/FSL Bottom Hole: FNL/FSL FNL/FSL
1400 FNL 50 FEL 1400 FNL 50 FEL
Sec: 8 Twp: 2N Rng: 66W Sec: 8 Twp: 2N Rng: 66W

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: 268 ft

18. Distance to nearest property line: 160 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 850 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 | 160 | GWA |
| J SAND | JSN | 232-23 | 160 | GWA |
| NIOBRARA | NBRR | 407 | 160 | GWA |

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):

ALL OF SEC. 2, S2 OF SEC. 4 NE OF SEC. 10, T2N, R66W

25. Distance to Nearest Mineral Lease Line: 50 ft 26. Total Acres in Lease: 1680

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

Method: ☐ Land Farming ☒ Land Spreading ☐ Disposal Facility Other: _____

If 28, 29, or 30 are "Yes" a pit permit may be required.

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 | 800 | 350 | 800 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,115 | 280 | 8,115 | 7,052 |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PROPOSED SPACING UNIT: SEC 8: E2NE; SEC 9: W2NW. ENCANA REQUESTS THE APPROVAL OF A RULE 318A.a EXCEPTION LOCATION AS THE WELL HEAD IS TO BE LOCATED OUTSIDE A GWA DRILLING WINDOW, REQUEST LETTER AND WAIVER ARE ATTACHED. The wells have not yet been drilled so the pad has not been constructed, etc. Everything on the current form 2A is relevant, and will not change.

34. Location ID: 413212

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: Erin Hochstetler

Title: Permitting Technician Date: _____ Email: erin.hochstetler@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

05 123 31576 00

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 |
|-------------|------------------------|
| 400267989 | DEVIATED DRILLING PLAN |
| 400267991 | EXCEPTION LOC REQUEST |
| 400267993 | EXCEPTION LOC WAIVERS |
| 400267994 | PROPOSED SPACING UNIT |
| 400267995 | WELL LOCATION PLAT |
| 400267998 | LEASE MAP |
| 400268000 | TOPO MAP |
| 400268002 | 30 DAY NOTICE LETTER |
| 400268004 | DIRECTIONAL DATA |

Total Attach: 9 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)