

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

2096866

Date Received:

03/01/2010

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: NICK G. CURRAN Phone: (720)876-5288 Fax: (720)876-6288Email: NICK.CURRAN@ENCANA.COM7. Well Name: BURY CRANDELL Well Number: 8-4-23

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

9. Proposed Total Measured Depth: 8728

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 23 Twp: 1N Rng: 68W Meridian: 6Latitude: 40.041320 Longitude: -104.964820

Footage at Surface: 1041 feet FNL 1011 feet FEL
 FNL/FSL FEL/FWL

11. Field Name: WATTENBERG Field Number: 9075012. Ground Elevation: 5112 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 08/20/2009 PDOP Reading: 1.4 Instrument Operator's Name: JAY KNUTSON15. 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
2680 FNL 50 FEL 2680 FNL 50 FEL
 Sec: 23 Twp: 1N Rng: 68W Sec: 23 Twp: 1N Rng: 68W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 418 ft18. Distance to nearest property line: 969 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 852 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	JSND	232	160	GWA
NIOBRARA	NBRR	407	160	GWA

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 ☐ 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):

NE/4 OF SEC. 23 T1N-R68W

25. Distance to Nearest Mineral Lease Line: 50 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: _____

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		1,090	350	1,090	0
1ST	7+7/8	4+1/2	11.6		8,728	310	8,728	7,537

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PROPOSED SPACING UNIT IS SENE, NESE SEC 23; NWSW, SWNW SEC 24

34. Location ID: 321535

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 G. CURRAN

Title: PERMITTING

Date: 2/24/2010

Email: NICK.CURRAN@ENCANA.CO

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 5/8/2012

API NUMBER

05 014 20714 00

Permit Number: _____

Expiration Date: 4/7/2012

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) Note surface casing setting depth change from 800' to 10900'. Increase cement coverage accordingly and cement to surface. 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log. 4) 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
2096866	APD APPROVED
2096867	WELL LOCATION PLAT
2096868	TOPO MAP
2096869	MINERAL LEASE MAP
2096870	30 DAY NOTICE LETTER
2096871	DEVIATED DRILLING PLAN
2096872	PROPOSED SPACING UNIT
400044437	FORM 2 SUBMITTED
400053714	APD ORIGINAL

Total Attach: 9 Files

General Comments

User Group	Comment	Comment Date
Permit	The original permit application was erroneously approved for a Weld County location. The incorrect Weld County API Number was 123-31391.	5/8/2012 3:43:26 PM

Total: 1 comment(s)

BMP

Type	Comment

Total: 0 comment(s)