

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:

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Date Received:

04/17/2012

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) INC

4. COGCC Operator Number: 100185

5. Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-5632

6. Contact Name: Jevin Croteau Phone: (720)876-5339 Fax: (720)876-6339

Email: jevin.croteau@encana.com

7. Well Name: Diane Well Number: 6-4-28

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

9. Proposed Total Measured Depth: 8302

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 28 Twp: 2N Rng: 66W Meridian: 6

Latitude: 40.105220 Longitude: -104.778460

Footage at Surface: 1226 feet FNL/FSL 1593 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4970 13. County: WELD

14. GPS Data:

Date of Measurement: 10/07/2011 PDOP Reading: 1.1 Instrument Operator's Name: Tom Winans

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
2500 FNL 1400 FEL 2500 FNL 1400 FEL
Sec: 28 Twp: 2N Rng: 66W Sec: 28 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: 578 ft

18. Distance to nearest property line: 100 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1020 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 | 320 | E2 |
| 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):

S2NE & N2SE of Section 28, T2N, R66W.

25. Distance to Nearest Mineral Lease Line: 1177 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 | 0 | 950 | 390 | 950 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,302 | 190 | 8,302 | 7,100 |
| | | | Stage Tool | | 5,200 | 100 | 5,200 | 4,600 |

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

33. Comments No conductor casing will be used. Unit configuration: S2NE/4 & N2SE/4

34. Location ID: 318820

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: Jevin Croteau

Title: Regulatory Analyst Date: 4/17/2012 Email: jevin.croteau@encana.com

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: 5/18/2012

API NUMBER

05 123 35601 00

Permit Number: _____ Expiration Date: 5/17/2014

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.

Operator shall run an open hole log across the surface casing shoe on the first well drilled from this pad.

- 1) Provide 48 hour notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with a cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from the TD to surface. 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 |
|-------------|------------------------|
| 2481548 | SURFACE CASING CHECK |
| 400272586 | FORM 2 SUBMITTED |
| 400272591 | WELL LOCATION PLAT |
| 400272752 | DEVIATED DRILLING PLAN |
| 400272753 | EXCEPTION LOC REQUEST |
| 400272755 | EXCEPTION LOC REQUEST |
| 400272757 | PROPOSED SPACING UNIT |
| 400272760 | TOPO MAP |
| 400272763 | SURFACE AGRMT/SURETY |
| 400272764 | 30 DAY NOTICE LETTER |
| 400272766 | 30 DAY NOTICE LETTER |
| 400273217 | OTHER |
| 400273221 | DIRECTIONAL DATA |

Total Attach: 13 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 5/14/2012 9:07:32 AM |
| Permit | Ready to pass pending public comment 5/9/12. | 4/18/2012 9:27:33 AM |
| Permit | Operator requests approval of a Rule 318Ac exception location: Wellhead is to be located more than 50' from an existing well location. Operator requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line. Request letter and waivers attached. Waivers are attached to the exception requests. | 4/18/2012 9:22:24 AM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)