

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:

400311630

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) INC4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890Email: JENNIFER.LIND@ENCANA.COM7. Well Name: IONE Well Number: 2D-2H

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

9. Proposed Total Measured Depth: 12084

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 2 Twp: 2N Rng: 66W Meridian: 6Latitude: 40.173110 Longitude: -104.748760

Footage at Surface: 509 feet FNL/FSL 1400 feet FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 9075012. Ground Elevation: 5046 13. County: WELD

14. GPS Data:

Date of Measurement: 07/27/2012 PDOP Reading: 1.9 Instrument Operator's Name: RICE15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 598 FNL 1445 FWL 460 FSL 1450 FWL FWL
 Sec: 2 Twp: 2N Rng: 66W Sec: 2 Twp: 2N Rng: 66W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1468 ft18. Distance to nearest property line: 509 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 75 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.)
NIOBRARA	NBRR		640	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#: _____23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No23b. 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):

T2N-R66W-SEC.2: ALL; SEC.4: S/2; SEC.8: NE/4, SW/4; SEC.10: E/2, NW/4

25. Distance to Nearest Mineral Lease Line: 460 ft

26. Total Acres in Lease: 1760

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
CONDUCTOR	22	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	40	0	884	241	884	584
1ST	8+3/4	7	26	0	7,864	967	7,864	584
2ND	6+1/8	4+1/2	13.5	0	12,084	373	12,084	7,564

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

33. Comments ENCANA REQUESTS THE APPROVAL OF A RULE 318A(l).a.1 AND 318A(l).c.1 EXCEPTION LOCATION AS THE WELL HEAD WILL BE LOCATED OUTSIDE A GWA DRILLING WINDOW AND FURTHER THAN 50' FROM AN EXISTING WELL - REQUEST LETTER AND WAIVERS ATTACHED. ENCANA ALSO REQUESTS THE OMISSION OF OPEN HOLE LOGS - REQUEST LETTER ATTACHED. ENCANA ALSO REQUESTS THE APPROVAL OF A RULE 318A.m. EXCEPTION LOCATION AS THERE IS AN EXISTING WELL THAT FALLS WITHIN 150' OF THE PROPOSED LATERAL - REQUEST LETTER ATTACHED, NO WAIVER NEEDED AS THE EXISTING WELL IS OPERATED BY ENCANA. PROPOSED SPACING UNIT IS T2N-R66W-SEC.2: ALL. ENCANA PLANS TO DRILL 13 HORIZONTAL WELLS SPACED ACROSS SECTION 2 AND BELIEVE THIS CONFIGURATION WILL EFFECTIVELY DRAIN THE 640 ACRE SPACING UNIT. ENCANA WILL COMPLY WITH COGCC POLICY FOR BRADENHEAD MONITORING DURING HYDRAULIC FRACTURING TREATMENTS IN THE GREATER WATTENBERG AREA DATED MAY 29, 2012.

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: _____ Email: JENNIFER.LIND@ENCANA.

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
400316443	DEVIATED DRILLING PLAN
400316444	DIRECTIONAL DATA
400316445	WELL LOCATION PLAT
400316449	TOPO MAP
400316450	30 DAY NOTICE LETTER
400316452	MINERAL LEASE MAP
400316454	OTHER
400316455	EXCEPTION LOC WAIVERS
400316456	EXCEPTION LOC REQUEST
400316457	PROPOSED SPACING UNIT
400316459	EXCEPTION LOC REQUEST

Total Attach: 11 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)