

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:

01/22/2013

PluggingBond SuretyID

20110075

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: Erin Hochstetler Phone: (720)876-5827 Fax: ()Email: erin.hochstetler@encana.com7. Well Name: McPeek Well Number: 0-8-10

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

9. Proposed Total Measured Depth: 8606

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 10 Twp: 2N Rng: 66W Meridian: 6Latitude: 40.146560Longitude: -104.763980

Footage at Surface: 422 feet FNL/FSL 2455 feet FEL/FWL
 FSL FWL

11. Field Name: WATTENBERG Field Number: 9075012. Ground Elevation: 4988 13. County: WELD

14. GPS Data:

Date of Measurement: 01/03/2013 PDOP Reading: 1.7 Instrument Operator's Name: RICE15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 50 FSL 50 FWL 50 FSL 50 FWL
 Bottom Hole: FNL/FSL 50 FSL 50 FWL 50 FSL 50 FWL
 Sec: 10 Twp: 2N Rng: 66W Sec: 10 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: 416 ft18. Distance to nearest property line: 193 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 407 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		160	GWA
J SAND	JSND		160	GWA
NIOBRARA	NBRR		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#: 2006010423a. 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):

S/2SW/4, NW/4SW/4, SW/4NE/4 Section 10-2N-66W

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	0	800	310	800	0
1ST	7+7/8	4+1/2	11.6	0	8,605	170	8,605	7,553
	7+7/8		Stage Tool	0	5,356	90	5,356	4,761

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

33. Comments No conductor casing will be utilized. Encana requests the approval of a 318A(I).a.(1) exception location as the well head is to be located outside of a GWA drilling window. Request letter and waivers attached. Proposed spacing unit is SW/4SW/4 of 10-2N-66W, SE/4SE/4 Section 9-2N-66W, NE/4NE/4 of Section 16-2N-66W, NW/4NW/4 of Section 15-2N-66W.

34. Location ID: 422467

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: 1/22/2013 Email: erin.hochstetler@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: Matthew Lee Director of COGCC Date: 2/19/2013

API NUMBER

05 123 36821 00

Permit Number: _____ Expiration Date: 2/18/2015

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 must meet water well testing requirements per Rule 318A.

1)Provide notice of MIRU via an electronic Form 42.

2)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify cement coverage with a cement bond log per 317.o.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2482136	SURFACE CASING CHECK
400370583	FORM 2 SUBMITTED
400370620	WELL LOCATION PLAT
400370621	DEVIATED DRILLING PLAN
400370623	EXCEPTION LOC WAIVERS
400370624	DIRECTIONAL DATA
400370683	EXCEPTION LOC REQUEST
400370685	PROPOSED SPACING UNIT
400372583	30 DAY NOTICE LETTER
400372801	LEASE MAP

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	2/15/2013 12:14:25 PM
Permit	Changed to location will be handled via Sundry notice. ok to pass.	2/15/2013 12:14:23 PM
Permit	ON HOLD: w/o form 2A.	2/15/2013 11:18:10 AM
Permit	Added existing location ID # 422467 and changed Operator comments to 318A.a only per operator. ok to pass. ON HOLD: w/o form 2A.	2/5/2013 4:15:48 PM
Permit	Requesting added of existing location ID # 422467.	2/4/2013 11:45:07 AM
Permit	Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window. Request and Waiver attached.	2/4/2013 11:44:35 AM
Permit	Changed pluggingand surface bond ID's per telecon w/Chris Lopez.	1/23/2013 11:24:07 AM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)