

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:

400394441

Date Received:

03/22/2013

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: Bonnie Lamond Phone: (720)876-5156 Fax: (720)876-6177

Email: bonnie.lamond@encana.com

7. Well Name: MCU Well Number: 16-13CC (M16W)

8. Unit Name (if appl): Middleton Creek Unit Number: COC068997
X

9. Proposed Total Measured Depth: 10140

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 16 Twp: 7S Rng: 93W Meridian: 6

Latitude: 39.439830 Longitude: -107.783453

Footage at Surface: 531 feet FNL/FSL FSL 1221 feet FEL/FWL FWL

11. Field Name: Middleton Creek Field Number: _____

12. Ground Elevation: 7887 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/04/2013 PDOP Reading: 0.0 Instrument Operator's Name: Ted T. Taggart

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 130 FSL 641 FWL _____ Bottom Hole: FNL/FSL 130 FSL 641 FWL _____
Sec: 16 Twp: 7S Rng: 93W Sec: 16 Twp: 7S Rng: 93W

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: 815 ft

18. Distance to nearest property line: 531 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 320 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.)
Williams Fork	WMFK	191-83		

21. Mineral Ownership: Fee State Federal Indian Lease #: COC55604

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):

T7S-R93W; Sec. 16: W2NE, E2W2, NWNW, SWSW, SE.

25. Distance to Nearest Mineral Lease Line: 640 ft 26. Total Acres in Lease: 480

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	24	16	.25" wall	0	60	50	60	
SURF	12+1/4	9+5/8	36	0	1,103	417	1,103	
1ST	7+7/8	4+1/2	11.6	0	10,140	857	10,140	

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

33. Comments The original well name was MCU 16-13D (M16W). A sundry to change well name, BHL, and drilling program was submitted 3/12/13. Will be a tapered hole. Surface casing will go from 0-200' with a hole size of 14-3/4" and casing size of 9-5/8". Surface casing will continue from 200'- 1103' with a hole size of 12-1/4" and casing size of 9-5/8" Production casing will go from 0-7965' with hole size of 8-3/4" and casing size of 4-1/2". And continue on from 7965'- 10140' with a hole size of 7-7/8" and casing size of 4-1/2". A revised directional survey and location plat are attached, all other attachments remain the same.

34. Location ID: 422418

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: Bonnie Lamond

Title: Permitting Technician Date: 3/22/2013 Email: bonnie.lamond@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: 4/26/2013

API NUMBER

05 045 20587 00

Permit Number: _____ Expiration Date: 4/25/2015

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.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS IS REQUIRED.

(3) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE MAMM CREEK FIELD NOTICE TO OPERATORS IS REQUIRED.

(4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY IS REQUIRED. (PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDERS NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010)). SEE ATTACHED NOTICE.

Applicable Policies and Notices to Operators

Mamm Creek Field Area Notice to Operators.

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field).

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400394441	FORM 2 SUBMITTED
400394451	DEVIATED DRILLING PLAN
400394452	WELL LOCATION PLAT
400394454	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.	4/4/2013 9:48:14 AM
Permit	Other staff approvals received.	4/3/2013 11:19:16 AM
Permit	Passed completeness.	4/3/2013 7:37:19 AM
Permit	Returned to draft: 1)Invalid fm. code. Oper. agreed to withdraw related sundry #2166128.	3/25/2013 7:33:49 AM

Total: 4 comment(s)

BMP

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