

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:

400459258

Date Received:

07/30/2013

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: Amy Henline Phone: (720)876-3364 Fax: ()Email: amy.henline@encana.com7. Well Name: Kimball Mountain Well Number: DH1A-6 B07 799

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

9. Proposed Total Measured Depth: 18695

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 7 Twp: 7S Rng: 99W Meridian: 6Latitude: 39.467794 Longitude: -108.482172

Footage at Surface: 103 feet FNL 1918 feet FEL
 FNL/FSL FEL/FWL

11. Field Name: Gasaway Field Number: 2956012. Ground Elevation: 6648 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/02/2010 PDOP Reading: 1.9 Instrument Operator's Name: Robert Kay15. 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
12 FNL 195 FEL 650 FNL 330 FEL
 Sec: 7 Twp: 7S Rng: 99W Sec: 31 Twp: 7S Rng: 99W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1368 ft18. Distance to nearest property line: 2171 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5027 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.)
MANCOS	MNCS			

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):

See original APD for lease map.

25. Distance to Nearest Mineral Lease Line: 650 ft

26. Total Acres in Lease: 10278

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: Recycle & bury

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	30	20	Line Pipe	0	120	319	120	0
SURF	14+3/4	10+3/4	40.5	0	1800	785	1800	0
1ST	9+7/8	7+5/8	26.4	0	6771	342	6771	3584
2ND	6+3/4	4+1/2	13.5	0	18695	1057	18695	6571

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

33. Comments Refiled APD for KM DH1A-6 B07 799. Updated drilling plan and well location plat are attached. Please note that the casing and cement program has changed from the original APD. Also note the Intermediate casing is listed as 'first string' and Production casing is listed as 'second string'. Distance on #17 is calculated from Kimball Creek Road. Location has been built and has an active producer.

34. Location ID: 383216

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: Amy Henline

Title: Permitting Analyst Date: 7/30/2013 Email: amy.henline@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: 8/31/2013

API NUMBER

05 045 19929 00

Permit Number: _____ Expiration Date: 8/30/2015

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.

COA Type	Description
	<p>(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.</p> <p>(2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS IS REQUIRED, WITH THE FOLLOWING EXCEPTION: ALL FIELD NOTICE REQUIREMENTS SPECIFIED IN THIS NOTICE TO OPERATORS ARE SUPERSEDED BY THE REQUIREMENTS OF THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY (SEE CONDITION OF APPROVAL #1).</p> <p>(3) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS AND ANY COAL SEAMS IN MESAVERDE GROUP FORMATIONS. VERIFY INTERMEDIATE CASING CEMENT COVERAGE WITH A CEMENT BOND LOG.</p>

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.

Attachment Check List

Att Doc Num	Name
400459258	FORM 2 SUBMITTED
400459313	DEVIATED DRILLING PLAN
400459320	WELL LOCATION PLAT

Total Attach: 3 Files

General Comments

User Group	Comment	Comment Date
LGD	pass, gdb	8/26/2013 11:38:37 AM
Permit	Passes Permitting.	8/15/2013 1:14:14 PM
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 000 FEET DEEP (NO WATER WELLS WITHIN 1-MILE).	8/13/2013 11:08:24 AM
OGLA	Operator filled out every point by hand. Passed completeness	8/9/2013 10:12:24 AM
Permit	Returned to DRAFT. The submitted spreadsheet is not the format needed to import the directional data.	3/2/2013 8:32:06 AM
Permit	Return to Draft: Directional Data template has wrong format.	7/31/2013 1:42:28 PM

Total: 6 comment(s)

Best Management Practices

No	BMP/COA Type	Description