

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:

400455401

Date Received:

07/30/2013

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: Chris McRickard Phone: (720)876-5586 Fax: (720)876-6584

Email: chris.mcrickard@encana.com

7. Well Name: Minch Well Number: 4-6-4

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

9. Proposed Total Measured Depth: 8383

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 4 Twp: 3n Rng: 68w Meridian: 6

Latitude: 40.252140 Longitude: -105.016080

Footage at Surface: 1637 feet FNL/FSL 453 feet FEL/FWL
FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5077 13. County: WELD

14. GPS Data:

Date of Measurement: 01/17/2013 PDOP Reading: 2.2 Instrument Operator's Name: John Rice

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
1380 FSL 2611 FWL 1380 FSL 2611 FWL
Sec: 4 Twp: 3n Rng: 68w Sec: 4 Twp: 3n Rng: 68w16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 349 ft

18. Distance to nearest property line: 310 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 920 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.)
J-NIOBRARA-CODELL	JNBCD		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#: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):

4T3N R68WSEC 4: N/2S/2,(N/2 S/2 less and except "Beginning at the East Quarter Corner of said section; thence westerly along the East and West Center Line of said section 2223 feet; thence 2035 feet southeasterly to a point on the East and West Center Line of the SE4 of said section 670 feet west of the SE Corner of the NE4SE4 of said section. thence east on said line 670 feet to said last mentioned Corner; thence north on East Line of said section to the place of beginning, containing 47.12 acres more or less Section 4 T3N, R68W, Weld County, Colorado) - SEE ATTACHED MAP.

25. Distance to Nearest Mineral Lease Line: 49 ft

26. Total Acres in Lease: 110

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	700	270	700	0
1ST	7+7/8	4+1/2	11.6	0	8383	180	8383	7313

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

33. Comments - No conductor casing will be utilized. - Encana requests the approval of 318A.a.(1) exception location as the well head is to be located outside of a GWA drilling window. Request letter and waivers attached. - Encana also requests the approval of the omission of open hole logs, request letter attached.- Proposed spacing unit is E2SW4, W2SE4 Sec. 4 T3N, R68W.

34. Location ID: 427635

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: Chris McRickard

Title: Permitting Analyst Date: 7/30/2013 Email: chris.mcrickard@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: 10/17/2013

API NUMBER

05 123 35077 00

Permit Number: _____ Expiration Date: 10/16/2015

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.

Description

Operator must meet water well testing requirements per Rule 318A.

Require full suite of logs per qtr-qtr. Operator will place an explicit comment on the Drilling Completion Report documenting which well on this pad was logged with a full suite of open hole logs.

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1695938	CORRESPONDENCE
400455401	FORM 2 SUBMITTED
400458683	30 DAY NOTICE LETTER
400458693	MINERAL LEASE MAP
400458704	WELL LOCATION PLAT
400458741	PROPOSED SPACING UNIT
400458988	OTHER
400459961	EXCEPTION LOC REQUEST
400459962	EXCEPTION LOC WAIVERS
400459963	DEVIATED DRILLING PLAN
400459964	DIRECTIONAL DATA

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. Public comment addressed (see correspondence); no LGD comment received.	10/15/2013 9:08:33 AM
Permit	Per operator Objecting party (Hall) has not engaged in talks since original objection dated 7/29/2013. Operator request COGCC remove objection. (see attached correspondence dated 10/07/2013). Exception to Twinning request letter and waiver attached to 0-4-4 well. ok to pass.	10/15/2013 9:08:32 AM
Permit	ON HOLD: w/o lawyer to clear objection to the proposed wellbore. requesting Exception to Twinning request and waiver.	9/27/2013 8:59:08 AM
Permit	ON HOLD: requesting Exception to Twinning request and waiver.	8/28/2013 10:41:27 AM
Permit	Operator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached.	8/28/2013 10:41:26 AM
Permit	Operator's request for omission of open hole logs.	8/28/2013 10:41:25 AM
Permit	Passes Completeness.	3/1/2013 1:33:09 PM
Permit	Added API # 123-35077 and changed to refile per operator.	7/31/2013 10:18:25 AM

Total: 8 comment(s)

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>