

FORM  
2

Rev  
08/13

# 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:  
400528065

## APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
12/24/2013

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_

Refilling

ZONE TYPE    SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Sidetrack

Well Name: McConahay      Well Number: 1E-34H-H266  
Name of Operator: ENCANA OIL & GAS (USA) INC      COGCC Operator Number: 100185  
Address: 370 17TH ST STE 1700  
City: DENVER      State: CO      Zip: 80202-5632  
Contact Name: Chris McRickard      Phone: (720)876-5586      Fax: (720)876-6584  
Email: chris.mcrickard@encana.com

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100017

## WELL LOCATION INFORMATION

QtrQtr: SENE      Sec: 34      Twp: 2n      Rng: 66w      Meridian: 6  
Latitude: 40.098050      Longitude: -104.757730

Footage at Surface:      FNL/FSL      FEL/FWL  
1425 feet      FNL 1115 feet      FEL \_\_\_\_\_

Field Name: WATTENBERG      Field Number: 90750

Ground Elevation: 5061      County: WELD

### GPS Data:

Date of Measurement: 12/11/2013    PDOP Reading: 2.5    Instrument Operator's Name: John Rice

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  
483    FNL 1277    FEL \_\_\_\_\_      470    FNL 460    FWL \_\_\_\_\_  
Sec: 34    Twp: 2n    Rng: 66w      Sec: 34    Twp: 2n    Rng: 66w

## LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership:     Fee     State     Federal     Indian

The Surface Owner is:     is the mineral owner beneath the location.

(check all that apply)     is committed to an Oil and Gas Lease.

has signed the Oil and Gas Lease.

is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:     Fee     State     Federal     Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well:    Yes

The right to construct the Oil and Gas Location is granted by:    Surface Use Agreement

Surface damage assurance if no agreement is in place:      Surface Surety ID: \_\_\_\_\_

## LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

-T2N R66W SEC 34: E/2E/2, except the north 260 feet thereof containing 7.88 acres, more or less (See Attached Mineral Lease Map)  
-Horizontal Wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is at least 460'.

Total Acres in Described Lease: 152 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1190 Feet  
Building Unit: 1190 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 1414 Feet  
Above Ground Utility: 1143 Feet  
Railroad: 5280 Feet  
Property Line: 214 Feet

### INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).  
- Enter 5280 for distance greater than 1 mile.  
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.  
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

## DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit  
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.  
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: \_\_\_\_\_

## SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 113 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

Proposed Spacing Unit: T2N R66W Sec 34: N/2  
Proposed Objective Formation: Niobrara

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR			GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 11628 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 113 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H2S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H2S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  None

## GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

See attached Waste Management Plan.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

## CASING PROGRAM

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	1089	136	1089	0
1ST	8+3/4	7	26	0	7728	438	7728	789
2ND	6+1/8	4+1/2	13.5	0	11628	161	11628	7428

Conductor Casing is NOT planned

## DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

## GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

## RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number \_\_\_\_\_

## OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

## OPERATOR COMMENTS AND SUBMITTAL

Comments

- Encana requests the approval of 318A.c.(1) exception location as the well head is to be located further than 50' from an existing well. Request letter and waivers attached.
- Encana requests the approval of the omission of open hole logs; request letter attached.
- Proposed spacing unit is N/2 of Sec 34 T2N R66W.
- The distance to nearest well permitted/completed in the same formation (BHL) is found on page 8 of the Anti-Collision report.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 434257

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

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: 12/24/2013 Email: chris.mcrickard@encana.com

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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

## Conditions Of Approval

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

<u>COA Type</u>	<u>Description</u>

## Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	- Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
2	Drilling/Completion Operations	- Encana will comply with the "COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area", dated May 29, 2012.

Total: 2 comment(s)

## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400528065	FORM 2 SUBMITTED
400528804	MINERAL LEASE MAP
400528805	WELL LOCATION PLAT
400528814	EXCEPTION LOC REQUEST
400528815	DEVIATED DRILLING PLAN
400528816	DIRECTIONAL DATA
400528824	OTHER
400529250	EXCEPTION LOC WAIVERS
400529733	PROPOSED SPACING UNIT
400529735	CONSULT NOTICE
400529738	WASTE MANAGEMENT PLAN
400531378	SURFACE AGRMT/SURETY
400533646	OffsetWellEvaluations Data
400535416	EXCEPTION LOC REQUEST

Total Attach: 14 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft: Missing Spacing & Formation Comments for Proposed Spacing Unit. Missing 318A.m letter request. Distance to nearest well noted at 113'.	1/3/2014 11:13:52 AM
Permit	Returned to draft: Offset Wells Evaluation tab still incomplete.	12/30/2013 8:53:29 AM
Permit	Returned to draft: Offset Wells Evaluation tab incomplete.	12/26/2013 10:00:17 AM

Total: 3 comment(s)