

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

 OIL ☐ GAS ☒ COALBED ☐ OTHER _____
 SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☒

 Refiling ☐
 Sidetrack ☐

Document Number:

1824784

Plugging Bond Surety

20050043

3. Name of Operator: ENCANA OIL & GAS (USA) INC 4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: NICKCURRAN Phone: (303)623-2300 Fax: (303)623-2400Email: NICK.CURRAN@ENCANA.COM7. Well Name: ALAUX Well Number: 4-0-26

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

9. Proposed Total Measured Depth: 8568

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 26 Twp: 1N Rng: 68W Meridian: 6Latitude: 40.028060 Longitude: -104.972890
 Footage at Surface: 499 FNL/FSL 2014 FEL/FWL FNL FWL
11. Field Name: WATTENBERG Field Number: 9075012. Ground Elevation: 5181 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 03/19/2009 PDOP Reading: 0.2 Instrument Operator's Name: TOM WINANS15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 50 FNL 2550 FWL 50 FNL 2550 FWL
 Bottom Hole: FNL/FSL 50 FNL 2550 FWL
 Sec: 26 Twp: 1N Rng: 68W Sec: 26 Twp: 1N Rng: 68W
16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 44218. Distance to nearest property line: 240 19. Distance to nearest well permitted/completed in the same formation: 745

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	407	160	GWA
J SAND	JSND		160	GWA
NIOBRARA	NBRR	407	160	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 20050027

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 Bon ☐ \$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):
T1N-R68W SEC 26; N2NW

25. Distance to Nearest Mineral Lease Line: 50 26. Total Acres in Lease: 80

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☒ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	1,200	370	1,200	0
1ST	7+7/8	4+1/2	11.6	8,568	310	8,568	7,387
			Stage Tool	5,684	250	5,684	4,646

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 321541

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: Y Print Name: NICK CURRAN

Title: PERMITTING AGENT Date: 4/22/2009 Email: NICK.CURRAN@ENCANA.CO

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: David & Neslin Director of COGCC Date: 8/10/2009

API NUMBER

05 014 20669 00

Permit Number: 20092477

Expiration Date: 8/9/2012

CONDITIONS OF APPROVAL, IF ANY:

Condition of Approval

Comment	User Name	Comment Date
Agency		
1) NOTE SURFACE CASING SETTING DEPTH CHANGE FROM 850 TO 1200 FEET. INCREASE CEMENT COVERAGE ACCORDINGLY AND CEMENT TO SURFACE. 2) PROVIDE 24 HOUR NOTICE OF MIRU TO JIM PRECUP AT 303-469-1902 OR EMAIL AT JAMES.PRECUP@STATE.CO.US. 3)COMPLY WITH RULE 317I AND PROVIDE CEMENT COVERAGE FROM TD TO A MINIMUM OF 200 FEET ABOVE NIOBRARA AND FROM 200 FEET BELOW SHANNON TO 200 FEET ABOVE SUSSEX. VERIFY COVERAGE WITH CEMENTBOND LOG. 4) 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.		07/16/2009

Attachment Check List

Att Doc Num	Name	Doc Description	Op. Check	File Size
1824784	APD ORIG & 1 COPY	LF@2040981 1824784	Y	
1824785	WELL LOCATION PLAT	LF@2040982 1824785	Y	
1824786	TOPO MAP	LF@2040983 1824786	Y	
1824787	30 DAY NOTICE LETTER	LF@2040984 1824787	Y	
1824788	DIRECTIONAL SURVEY	LF@2040985 1824788	Y	
1824789	PROPOSED SPACING UNIT	LF@2040986 1824789	Y	
1824790	PROPOSED SPACING UNIT	LF@2040991 1824790	Y	
1824791	LEASE MAP	LF@2040992 1824791	Y	

Total Attach: 8 Files