

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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| DE | ET | OE | ES |
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Document Number:

400012944

Plugging Bond Surety

20020067

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

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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240

Email: Julia.Carter@encana.com

7. Well Name: N. Parachute Well Number: EF07A-28 C28 59

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

9. Proposed Total Measured Depth: 11089

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 28 Twp: 5S Rng: 95W Meridian: 6

Latitude: 39.588764 Longitude: -108.060314

Footage at Surface: 1195 FNL/FSL FNL 2350 FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 6175 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 01/22/2008 PDOP Reading: 1.6 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 1421 FNL 1968 FEL FEL Bottom Hole: FNL/FSL 1421 FNL 1968 FEL FEL

Sec: 28 Twp: 5S Rng: 95W Sec: 28 Twp: 5S Rng: 95W

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: 14256 ft

18. Distance to nearest property line: 8184 ft 19. Distance to nearest well permitted/completed in the same formation: 423 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 | 510-13 | | |

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#: _____

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):

25. Distance to Nearest Mineral Lease Line: 7233 ft 26. Total Acres in Lease: 25889

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: 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 | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 26 | 16 | Line Pipe | 120 | 11 | 120 | |
| SURF | 12+1/4 | 9+5/8 | 36 | 1,700 | 411 | 1,700 | |
| 2ND | 7+7/8 | 4+1/2 | 11.6 | 11,089 | 763 | 11,089 | |

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

33. Comments EnCana Oil & Gas (USA) Inc. owns surface, EnCana minerals. The full well number is EF07A-28 C28 595. This is a Refile. API # 05-045-17590. This location has been built, and no further surface disturbance will occur, therefore a Form 2A will not be submitted. There have been no changes to the surface conditions or lease terms. Please note the surface casing is being decreased from a setting depth of 2000' to 1700'. The second string, or production casing, hole size will be both 7-7/8" and 8-3/4" with its cement top at 200' above WMFK. Conductor and Surface casing will both be run to surface.

34. Location ID: 335657

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: Julia M. Carter

Title: Regulatory Analyst Date: 11/2/2009 Email: Julia.Carter@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: David S. Nesline Director of COGCC Date: 12/11/2009

Permit Number: _____ Expiration Date: 12/10/2010

API NUMBER

05 045 17590 00

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.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL david.Andrews@state.co.us GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE. RESERVE PIT MUST BE LINED. CEMENT-TOP VERIFICATION BY CBL REQUIRED. OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS. THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT. 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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------|----------------------|
| 400012952 | FORM 2 SUBMITTED | LF@2183281 400012952 |

Total Attach: 1 Files