

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:

400033040

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: MF07C E09 696

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

9. Proposed Total Measured Depth: 11820

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 9 Twp: 6S Rng: 96W Meridian: 6

Latitude: 39.539378 Longitude: -108.118469

Footage at Surface: 2674 FNL/FSL FNL 773 FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 5757 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/12/2007 PDOP Reading: 4.4 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 2145 FNL 1995 FEL FEL Bottom Hole: FNL/FSL 2145 FNL 1995 FEL FEL
Sec: 9 Twp: 6S Rng: 96W Sec: 9 Twp: 6S Rng: 96W

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: 300 ft

18. Distance to nearest property line: 773 ft 19. Distance to nearest well permitted/completed in the same formation: 496 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 | 510-49 | | |

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 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):
Maps on file with COGCC

25. Distance to Nearest Mineral Lease Line: 968 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 | 20 | Line Pipe | 120 | 11 | 120 | |
| SURF | 12+1/4 | 9+5/8 | 36# | 1,500 | 368 | 1,500 | |
| 2ND | 7+7/8 | 4+1/2 | 11.6 | 11,820 | 1,041 | 11,820 | |

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

33. Comments EnCana Oil & Gas (USA) Inc. owns surface, EnCana minerals. This is a refile. API # 05-045-14996. There have been changes made to the casing plan, depths and there is a new surface hole location. A new legal plat and directional plan have been attached. This is also an exception location, as it's the second pad in the qtr qtr. The original exception location request letter was approved on 11/13/07 and is on file with the COGCC. Surface casing hole size will be 12-1/4", 13-3/4" and 14-3/4". Second string, or production casing, hole size will be 7-7/8", 8-1/2" and 8-3/4" with cement top 200' above Williams Fork. Cement top for both conductor and surface casing will be run to surface. This location has been built, pit constructed, the refile will not require any expansion of the pad, the location does not require a variance from Rule 306.d.(1).(A).(ii) and it is not in a wildlife restricted surface occupancy area. Therefore a Form 2A will not be submitted.

34. Location ID: 335856

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: 1/27/2010 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. Neslin Director of COGCC Date: 3/22/2010

API NUMBER

05 045 14996 00

Permit Number: _____

Expiration Date: 3/21/2011**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.

1)24 HOUR SPUD NOTICE REQUIRED. E-MAIL: Shaun.Kellerby@state.co.us 2)GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE 3)CEMENT TOP VERIFICATION BY CBL REQUIRED. 4)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. 5)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 74 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 2089198 | LOCATION DRAWING | LF@2431831 2089198 |
| 400033051 | PLAT | LF@2418750 400033051 |
| 400033052 | DEVIATED DRILLING PLAN | LF@2418751 400033052 |
| 400040624 | FORM 2 SUBMITTED | LF@2418752 400040624 |

Total Attach: 4 Files