

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:
1904618
Plugging Bond Surety
20050043

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: NICK G. CURRAN Phone: (303)623-2300 Fax: (303)623-2400
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: RAY NELSON Well Number: 44-32

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

9. Proposed Total Measured Depth: 8332

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 32 Twp: 2N Rng: 68W Meridian: 6
Latitude: 40.089930 Longitude: -105.023710

Footage at Surface: 809 FNL/FSL FSL 1682 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4980 13. County: WELD

14. GPS Data:

Date of Measurement: 01/12/2009 PDOP Reading: 8.0 Instrument Operator's Name: TOM WINANS

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

Footage at Top of Prod Zone: FNL/FSL 810 FSL 600 FEL 600 FEL 600 FEL 600
Bottom Hole: FNL/FSL 810 FSL 600 FEL 600 FEL 600
Sec: 32 Twp: 2N Rng: 68W Sec: 32 Twp: 2N Rng: 68W

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: 842 ft

18. Distance to nearest property line: 12 ft 19. Distance to nearest well permitted/completed in the same formation: 815 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.)
CODELL	CODL	407-87	320	S2
J SAND	JSND	232-23	320	S2
NIOBRARA	NBRR	407-87	320	S2

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):
T1N-68W SEC 5: NE/4 & T2N-R68W SEC 32: S/2SE/4

25. Distance to Nearest Mineral Lease Line: 531 ft 26. Total Acres in Lease: 240

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	800	350	800	0
1ST	7+7/8	4+1/2	11.6	8,332	290	8,332	7,217
			Stage Tool	5,281	250	5,281	4,261

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

33. Comments NO CONDUCTOR CASING WILL BE USED

34. Location ID: _____

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: NICK CURRAN

Title: PERMITTING AGENT Date: 6/4/2009 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 S. Neslin Director of COGCC Date: 9/21/2009

API NUMBER 05 123 30610 00	Permit Number: _____	Expiration Date: <u>9/20/2011</u>
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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) PROVIDE 24 HOUR NOTICE OF MIRU TO JIM PRECUP AT 303-469-1902 OR E-MAIL AT JAMES.PRECUP@STATE.CO.US 2) COMPLY WITH RULE 317.I AND PROVIDE CEMENT COVERAGE FROM TD TO A MINIMUM OF 200' ABOVE NIOBRARA AND FROM 200' BELOW SHANNON TO 200' ABOVE SUSSEX. 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.

Drilling pit must be lined due to shallow depth to GW (sensitive area). Form 15 submitted for location.

Attachment Check List

Att Doc Num	Name	Doc Description
1904618	APD ORIG & 1 COPY	
1904619	WELL LOCATION PLAT	
1904620	TOPO MAP	
1904621	MINERAL LEASE MAP	
1904622	30 DAY NOTICE LETTER	
1904623	DEVIATED DRILLING PLAN	
1904624	EXCEPTION LOC REQUEST	
1904625	EXCEPTION LOC WAIVERS	
1904626	EXCEPTION LOC WAIVERS	

Total Attach: 9 Files