

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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Document Number:
1692916
Plugging Bond Surety
20050043

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER OIL & GAS
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: JEVIN CROTEAU Phone: (720)876-5339 Fax: (720)876-6339
Email: JEVIN.CROTEAU

7. Well Name: BAILEY Well Number: 4-0-12

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

9. Proposed Total Measured Depth: 8431

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 12 Twp: 1N Rng: 69W Meridian: 6
Latitude: 40.071270 Longitude: -105.062640

Footage at Surface: 657 FNL/FSL FNL 2010 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4980 13. County: BOULDER

14. GPS Data:

Date of Measurement: 10/21/2009 PDOP Reading: 1.3 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 50 FNL 2590 FWL 50 FNL 2590 FWL
Bottom Hole: FNL/FSL 50 FNL 2590 FWL
Sec: 12 Twp: 1N Rng: 69W Sec: 12 Twp: 1N Rng: 69W

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: 650 ft

18. Distance to nearest property line: 346 ft 19. Distance to nearest well permitted/completed in the same formation: 994 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	160	GWA
J SAND	JSND	232-23	160	GWA
NIOBRARA	NBRR	407-87	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#: _____

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):
S2S2 OF SEC. 1 & N2N2 OF SEC.12, T1N, R69W

25. Distance to Nearest Mineral Lease Line: 652 ft 26. Total Acres in Lease: 319

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	500	220	500	0
1ST	7+7/8	4+1/2	11.6	8,431	320	8,431	7,193
			Stage Tool	5,207	240	5,207	4,200

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: JEVIN CROTEAU

Title: REG ANALYST Date: 11/4/2009 Email: JEVIN.CROTEAU@ENCANA.C

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: 12/4/2009

API NUMBER
05 013 06626 00

Permit Number: _____ Expiration Date: 12/3/2011

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) 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.

Attachment Check List

Att Doc Num	Name	Doc Description
1692917	WELL LOCATION PLAT	LF@2169393 1692917
1692918	TOPO MAP	LF@2169394 1692918
1692919	MINERAL LEASE MAP	LF@2169582 1692919
1692920	30 DAY NOTICE LETTER	LF@2169395 1692920
1692921	DEVIATED DRILLING PLAN	LF@2169396 1692921
1692922	PROPOSED SPACING UNIT	LF@2169397 1692922
1769653	SURFACE CASING CHECK	LF@2185891 1769653.00000
400013383	FORM 2 SUBMITTED	LF@2178962 400013383
400021883	APD ORIGINAL	LF@2169392 400021883

Total Attach: 9 Files