

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:

2094003

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: (720)876-5288 Fax: (720)876-6288

Email: NICK.CURRAN@ENCANA.COM

7. Well Name: DEASON Well Number: 2-4-36

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

9. Proposed Total Measured Depth: 8434

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 36 Twp: 2N Rng: 69W Meridian: 6

Latitude: 40.100160 Longitude: -105.067390

Footage at Surface: 984 FNL/FSL FNL 1944 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5016 13. County: BOULDER

14. GPS Data:

Date of Measurement: 11/17/2009 PDOP Reading: 1.5 Instrument Operator's Name: CRAIG BURKE

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

Footage at Top of Prod Zone: FNL/FSL 2600 FNL 1320 FWL FWL Bottom Hole: FNL/FSL 2600 FNL 1320 FWL FWL
Sec: 36 Twp: 2N Rng: 69W Sec: 36 Twp: 2N 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: 973 ft

18. Distance to nearest property line: 544 ft 19. Distance to nearest well permitted/completed in the same formation: 967 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	S/2NW4 & N/2SW4
J SAND	JSND		160	S/2NW4 & N/2SW4
NIOBRARA	NBRR	407-87	160	S/2NW4 & N/2SW4

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#: 20090011

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):
 NW4 SEC. 36 N2NE4 SEC. 35 T2N-R69W (ALL THAT PART OF THE NW/4 LYING N & E OF THE BOULDER AND WHITE ROCK RESERVOIR.

25. Distance to Nearest Mineral Lease Line: 64 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	750	320	750	0
1ST	7+7/8	4+1/2	11.6	8,434	280	8,434	7,354

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

33. Comments NO CONDUCTOR CASING WILL BE USED,

34. Location ID: 336166

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 G. CURRAN

Title: PERMITTING Date: 1/11/2010 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: 2/10/2010

API NUMBER Permit Number: _____ Expiration Date: 2/9/2012

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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.

Attachment Check List

Att Doc Num	Name	Doc Description
2094016	WELL LOCATION PLAT	LF@2210570 2094016
2094017	TOPO MAP	LF@2210571 2094017
2094018	MINERAL LEASE MAP	LF@2210607 2094018
2094019	30 DAY NOTICE LETTER	LF@2210572 2094019
2094020	DEVIATED DRILLING PLAN	LF@2210573 2094020
2094021	PROPOSED SPACING UNIT	LF@2210574 2094021
400027730	FORM 2 SUBMITTED	LF@2213483 400027730
400042052	APD ORIGINAL	LF@2210569 400042052

Total Attach: 8 Files