

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 OIL AND GAS
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

Document Number:
2094537
Plugging Bond Surety
20100017

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: BURY CRANDELL Well Number: 21-23

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

9. Proposed Total Measured Depth: 8578

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 23 Twp: 1N Rng: 68W Meridian: 6
Latitude: 40.041350 Longitude: -104.976630

Footage at Surface: 963 FNL/FSL FNL 957 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5154 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 01/06/2010 PDOP Reading: 1.7 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 510 FNL 1980 FWL FWL Bottom Hole: FNL/FSL 510 FNL 1980 FWL FWL
Sec: 23 Twp: 1N Rng: 68W Sec: 23 Twp: 1N 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: 218 ft

18. Distance to nearest property line: 161 ft 19. Distance to nearest well permitted/completed in the same formation: 1120 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	160	NW/4
J SAND	JSND	232-23	320	W/2
NIOBRARA	NBRR	407	160	NW/4

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):
PLEASE SEE ATTACHED LEASE DESCRIPTION.

25. Distance to Nearest Mineral Lease Line: 510 ft 26. Total Acres in Lease: 5752

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	1,120	350	1,120	0
1ST	7+7/8	4+1/2	11.6	8,578	310	8,578	7,398

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 321534

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 AGENT Date: 1/18/2010 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. Nashin Director of COGCC Date: 3/2/2010

API NUMBER
05 014 20693 00

Permit Number: _____ Expiration Date: 2/29/2012

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) Note surface casing setting depth change from 800' to 1120'. Increase cement coverage accordingly and cement to surface. 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log. 4) 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.

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Attachment Check List

Att Doc Num	Name	Doc Description
1769932	SURFACE CASING CHECK	LF@2422420 1769932
2094538	WELL LOCATION PLAT	LF@2215708 2094538
2094539	TOPO MAP	LF@2215709 2094539
2094540	MINERAL LEASE MAP	LF@2215792 2094540
2094541	LEGAL/LEASE DESCRIPTION	LF@2215710 2094541
2094542	30 DAY NOTICE LETTER	LF@2215711 2094542
2094543	DEVIATED DRILLING PLAN	LF@2215712 2094543
400031044	FORM 2 SUBMITTED	LF@2243518 400031044
400046437	APD ORIGINAL	LF@2215707 400046437

Total Attach: 9 Files