

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:

1904000

Plugging Bond Surety

20050026

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 CURRAN Phone: (303)623-2300 Fax: (303)623-2400

Email: _____

7. Well Name: DIER Well Number: 8-4-8

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

9. Proposed Total Measured Depth: 8103

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 8 Twp: 2N Rng: 67W Meridian: 6

Latitude: 40.151270 Longitude: -104.906960

Footage at Surface: 2049 FNL/FSL FSL 665 FEL/FWL FEL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 4949 13. County: WELD

14. GPS Data:

Date of Measurement: 03/30/2009 PDOP Reading: 1.2 Instrument Operator's Name: RON EDWARDS

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

Footage at Top of Prod Zone: FNL/FSL 2617 FSL 50 FEL 50 FEL 50 FEL 50
Bottom Hole: FNL/FSL 2617 FSL 50 FEL 50 FEL 50
Sec: 8 Twp: 2n Rng: 67w Sec: 8 Twp: 2N Rng: 67W

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: 282 ft

18. Distance to nearest property line: 165 ft 19. Distance to nearest well permitted/completed in the same formation: 983 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		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#: 20050027

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):
T2N-R67W: SEC 8; SE/4

25. Distance to Nearest Mineral Lease Line: 29 FT 26. Total Acres in Lease: 166

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	8,103	270	8,103	7,063
			Stage Tool	5,179	240	5,179	4,203

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 404815

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: Y Print Name: NICK CURRAN

Title: PERMIT AGENT Date: 4/23/2009 Email: NICK.CURREN@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: 8/22/2009

API NUMBER

05 123 30583 00

Permit Number: 20092487 Expiration Date: 8/21/2011

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) 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
1904001	WELL LOCATION PLAT	LF@2042978 1904001
1904002	TOPO MAP	LF@2042979 1904002
1904003	MINERAL LEASE MAP	LF@2043071 1904003
1904004	30 DAY NOTICE LETTER	LF@2042980 1904004
1904005	DIRECTIONAL SURVEY	LF@2042981 1904005
1904006	PROPOSED SPACING UNIT	LF@2042982 1904006
400003223	APD ORIG & 1 COPY	LF@2042977 1904000

Total Attach: 7 Files