

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:
400005142
Plugging Bond Surety
20020067

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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240
Email: Julia.Carter@encana.com

7. Well Name: N. Parachute Well Number: WF16D-21 K22 59

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

9. Proposed Total Measured Depth: 11403

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 22 Twp: 5S Rng: 96W Meridian: 6
Latitude: 39.599200 Longitude: -108.159153

Footage at Surface: 2119 FNL/FSL FSL 1582 FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 6526 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 10/31/2008 PDOP Reading: 2.1 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 262 FSL 731 FEL 731 FEL _____
Bottom Hole: FNL/FSL 262 FSL 731 FEL _____
Sec: 21 Twp: 5S Rng: 96W Sec: 21 Twp: 5S Rng: 96W

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: 15530 ft

18. Distance to nearest property line: 6864 ft 19. Distance to nearest well permitted/completed in the same formation: 324 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Williams Fork | WMFK | 479-15 | | |

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):
Please see attached maps

25. Distance to Nearest Mineral Lease Line: 4541 ft 26. Total Acres in Lease: 25889

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: Recycle & Bury

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 26 | 16 | Line Pipe | 90 | 8 | 90 | |
| SURF | 13+1/2 | 9+5/8 | 36 | 1,700 | 321 | 1,700 | |
| 2ND | 7+7/8 | 4+1/2 | 11.6 | 11,403 | 986 | 11,403 | |

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

33. Comments EnCana Oil & Gas (USA) Inc. owns surface, EnCana minerals. Please see attached maps. This is an existing location. The full well number is WF16D-21 K22 596. Surface casing hole size will be both 13-1/2" and 12-1/4". Second string, or production casing, hole size will be 7-7/8", 8-1/2" and 8-3/4" with cement top 200' above WMFK. Cement top for conductor and surface casing will be run to surface. 11403' MD, 10500' TVD. Spacing orders 479-15 and 510-13.

34. Location ID: 335648

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: Julia M. Carter

Title: Regulatory Analyst Date: 9/12/2009 Email: Julia.Carter@encana.com

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. Nesline Director of COGCC Date: 12/9/2009

Permit Number: _____ Expiration Date: 12/8/2011

API NUMBER

05 045 18921 00

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.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL david.Andrews@state.co.us GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE. CEMENT-TOP VERIFICATION BY CBL REQUIRED. THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 000 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 400005143 | LEASE MAP | LF@2226497 400005143 |
| 400005144 | TOPO MAP | LF@2148994 400005144 |
| 400005145 | DEVIATED DRILLING PLAN | LF@2148996 400005145 |
| 400005146 | PLAT | LF@2148997 400005146 |

Total Attach: 4 Files