

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:

400071705

Plugging Bond Surety

20100017

3. Name of Operator: ENCANA OIL & GAS (USA) INC 4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240Email: Julia.Carter@encana.com7. Well Name: SGU Well Number: 8502B-25 F254968. Unit Name (if appl): Big Jimmy Unit Unit Number: COC74105X9. Proposed Total Measured Depth: 14087

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 25 Twp: 4S Rng: 96W Meridian: 6Latitude: 39.674486 Longitude: -108.119347Footage at Surface: 2216 FNL/FSL FNL 2024 FEL/FWL FWL11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 8298 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/07/2009 PDOP Reading: 1.4 Instrument Operator's Name: Robert Kay15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 632 FNL 1990 FEL/FWL FEL Bottom Hole: FNL/FSL 632 FNL 1990 FEL/FWL FELSec: 25 Twp: 4S Rng: 96W Sec: 25 Twp: 4S Rng: 96W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 501 ft18. Distance to nearest property line: 2024 ft 19. Distance to nearest well permitted/completed in the same formation: 332 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.)
Iles	ILES			
Williams Fork	WMFK	510-13	10	

21. Mineral Ownership: Fee State Federal Indian Lease #: COC61136

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):
T4S, R96W, Section 25: ALL

25. Distance to Nearest Mineral Lease Line: 632 ft 26. Total Acres in Lease: 640

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, Amend and 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	20	Line Pipe	120	176	120	0
SURF	14+3/4	9+5/8	36	3,000	1,047	3,000	0
1ST	7+7/8	4+1/2	11.6	14,087	645	14,087	8,427

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

33. Comments Encana Oil & Gas (USA) Inc. owns surface. Please note cement will be run to surface for both conductor and surface casing. The surface casing hole size will be 14-3/4", 12-1/4" or 13-1/2". Production casing hole size will be both 7-7/8" and 8-3/4". Production cement top calculation 500' above TOG. Onsite was on 8/12/2009 with BLM and CDOW.

34. Location ID: 415182

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: _____ 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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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.

Attachment Check List

Att Doc Num	Name	Doc Description
400071725	PLAT	SGU 8502B-25 F25 496 plat.pdf
400071726	DEVIATED DRILLING PLAN	SGU 8502B-25 F25 496.Directional Plan.pdf
400071727	MINERAL LEASE MAP	Big Jimmy Unit Mineral Ownership.pdf
400071754	TOPO MAP	SGU F25 496.Topo Maps.pdf
400072803	FED. DRILLING PERMIT	SGU 8502B-25 F25 496.Federal APD.pdf

Total Attach: 5 Files