

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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| DE | ET | OE | ES |
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Document Number:

400078827

Plugging Bond Surety

20100017

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 ☐

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: MIRACLE PFISTER Phone: (720)876-3761 Fax: (720)876-4861

Email: miracle.pfister@encana.com

7. Well Name: FEDERAL SAVAGE Well Number: 11-3D (RD11)

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

9. Proposed Total Measured Depth: 8635

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 11 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.457560 Longitude: -107.859050

FNL/FSL

FEL/FWL

Footage at Surface: 1021 FNL 1257 FWL

11. Field Name: RULISON Field Number: 75400

12. Ground Elevation: 6384 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 09/02/2009 PDOP Reading: 0.0 Instrument Operator's Name: TED TAGGART

15. If well is ☒ Directional ☐ Horizontal (highly deviated) submit deviated drilling plan.
 Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
 1260 FNL 1980 FWL 1260 FNL 1980 FWL
 Sec: 11 Twp: 7S Rng: 94W Sec: 11 Twp: 7S Rng: 94W
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: 1056 ft

18. Distance to nearest property line: 1021 ft 19. Distance to nearest well permitted/completed in the same formation: 665 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 | 139-99 | | |
| WILLIAMS FORK | WMFK | 139-99 | | |

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):
T7S-R94W 6TH PM SECTION 11: LOTS 3, 4, S2NW, SW

25. Distance to Nearest Mineral Lease Line: 511 ft 26. Total Acres in Lease: 313

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 24 | 16 | LINEPIPE | 40 | 5 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 1,106 | 356 | 1,106 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 8,635 | 566 | 8,635 | 0 |

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

33. Comments TOP OF CEMENT FOR THE PRODUCTION CEMENT WILL BE 500' ABOVE THE TOG. THE CLOSEST UTILITY IS 1056'. THIS PAD IS ON BLM SURFACE AND A SUNDRY TO OCCUPY SURFACE HAS BEEN APPROVED BY THE BLM. A 2A FORM IS NOT REQUIRED BECAUSE THE FOLLOWING REQUIREMENT HAVE BEEN MET: 1. THE PAD HAS BEEN BUILT. 2. PITS HAVE BEEN CONSTRUCTED. 3. NO ADDITIONAL EXPANSION OR SURFACE DISTURBANCE IS REQUIRED TO DRILL THESE WELLS. 4. THE LOCATION DOES NOT REQUIRE A VARIANCE FROM THE RULES LISTED IN 306.d.(1).(A).(ii). 5. THE LOCATION IS NOT IN A WILDLIFE RESTRICTED SURFACE OCCUPANCY AREA.

34. Location ID: _____

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: MIRACLE PFISTER

Title: REGULATORY ANALYST Date: _____ Email: miracle.pfister@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: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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 |
|-------------|------------------------|------------------------------------------------------------------|
| 400078831 | PLAT | Federal Savage 11-3D (RD-11) Plat September 2, 2009-6.pdf |
| 400078832 | DEVIATED DRILLING PLAN | Pages from EnCana SP (RD11 Pad) Federal Savage 11-3D Plan #1.pdf |
| 400078833 | OTHER | RD11 BLM RIGHT OF WAY 8.27.08.pdf |

Total Attach: 3 Files