

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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Document Number:

400074676

Plugging Bond Surety

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

7. Well Name: SGU Well Number: 8511A-36 B36496

8. Unit Name (if appl): Big Jimmy Unit Unit Number: COC74105X

9. Proposed Total Measured Depth: 13839

WELL LOCATION INFORMATION

10. QtrQtr: Lot 2 Sec: 36 Twp: 4S Rng: 96W Meridian: 6

Latitude: 39.663769 Longitude: -108.113633

Footage at Surface: 834 FNL/FSL FNL 1678 FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 8352 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/06/2009 PDOP Reading: 1.7 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 2343 FSL 1965 FWL 2343 FSL 1965 FWL
Sec: 36 Twp: 4S Rng: 96W Sec: 36 Twp: 4S 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: 1784 ft

18. Distance to nearest property line: 834 ft 19. Distance to nearest well permitted/completed in the same formation: 327 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 #: COC65557

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 Bond ☐ \$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 36: Lot 1-6, S2N2, N2SW

25. Distance to Nearest Mineral Lease Line: 678 ft 26. Total Acres in Lease: 485

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	13,839	645	13,839	8,179

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. The distance in Section II, #17 is calculated from County Road 401.

34. Location ID: 415180

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: 7/6/2010 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. Neslin Director of COGCC Date: 8/25/2010

API NUMBER

05 045 19852 00

Permit Number: _____ Expiration Date: 8/24/2012

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

3) 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
400074676	FORM 2 SUBMITTED	LF@2502187 400074676
400074686	DEVIATED DRILLING PLAN	LF@2502188 400074686
400074688	PLAT	LF@2502189 400074688
400074694	MINERAL LEASE MAP	LF@2502190 400074694
400074703	FED. DRILLING PERMIT	LF@2502191 400074703
400074704	TOPO MAP	LF@2502192 400074704
400074706	OTHER	LF@2502193 400074706

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Verbal approval received from Julia Carter to remove plugging bond #.	8/23/2010 10:27:28 AM
Permit	PERMITING PASSED 8/10/10 BY ;WO COA'S, 2A ON FILE. BY	8/20/2010 3:02:07 PM

Total: 2 comment(s)

Error: Subreport could not be shown.