

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:

2583925

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: NICK G. CURRAN Phone: (720)876-5288 Fax: ()
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: MARTINSON Well Number: 4-6-24

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

9. Proposed Total Measured Depth: 7876

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 24 Twp: 4N Rng: 66W Meridian: 6

Latitude: 40.295730 Longitude: -104.727670

Footage at Surface: 1936 FNL/FSL FSL 2026 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4737 13. County: WELD

14. GPS Data:

Date of Measurement: 01/05/2010 PDOP Reading: 2.0 Instrument Operator's Name: CRAIG BURKE

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

Footage at Top of Prod Zone: FNL/FSL 1400 FSL FSL 2660 FWL FWL Bottom Hole: FNL/FSL 1400 FSL FSL 2660 FWL FWL
Sec: 24 Twp: 4N Rng: 66W Sec: 24 Twp: 4N Rng: 66W

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: 1565 ft

18. Distance to nearest property line: 683 ft 19. Distance to nearest well permitted/completed in the same formation: 852 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	160	GWA
J SAND	JSND	232-23	320	GWA
NIOBRARA	NBRR	407	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#: _____

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):
4N-66W SEC 24: SW/4

25. Distance to Nearest Mineral Lease Line: _____ 54 ft 26. Total Acres in Lease: _____ 160

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	500	220	500	0
1ST	7+7/8	4+1/2	11.6	7,876	290	7,876	6,772

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PROPOSED GWA UNIT CONFIGURATION FOR J-SAND: S2 ; PROPOSED GWA UNIT CONFIGURATION FOR NB-CD: W2SW, E2SE ;

34. Location ID: _____ 326770

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: NICK G. CURRAN

Title: PERMITTING Date: 8/18/2010 Email: NICK.CURRAN@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: 9/21/2010

API NUMBER

05 123 32230 00

Permit Number: _____ Expiration Date: 9/20/2012

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) Provide 24 hour notice of MIRU to Bo Brown at 970-397-4124 or e-mail at bo.brown@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 Sussex 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
2583925	APD ORIGINAL	LF @ 2528647 2583925
2583926	WELL LOCATION PLAT	LF @ 2528648 2583926
2583927	TOPO MAP	LF @ 2528649 2583927
2583928	LEASE MAP	LF @ 2528650 2583928
2583929	30 DAY NOTICE LETTER	LF @ 2528651 2583929
2583930	DEVIATED DRILLING PLAN	LF @ 2528652 2583930
2583931	OTHER	LF @ 2528653 2583931

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per Nick Curran, change J-Sand unit configuration from (W2SW, E2SE) to S2 and unit acreage from 160 to 320. PVG	9/21/2010 12:20:00 PM
Permit	ON HOLD. Productive interval is located greater than 460' the J-Sand unit boundary, requested permission to change J-Sand unit configuration from (W2SW, E2SE) to S2 and unit acreage from 160 to 320. Permit review otherwise complete. PVG	9/21/2010 10:50:15 AM
Permit	Section III: lease description is for 160ac; map seems to highlight 240 ac (4N-66W SEC 24: SW/4 AND E1/2 of NW/4 of sec 25?)	8/26/2010 10:42:13 AM
Permit	surface surety bond #, based on information, needs to come out; Reason: fee/fee for mineral/surface, that they are the same person/entity and that the signature is on the lease. opr notified and since confirmed/acknowledged	8/26/2010 10:04:47 AM

Total: 4 comment(s)

Error: Subreport could not be shown.