

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



DE ET OE ES

Document Number:
400084780
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

Refilling
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: ORCHARD UNIT Well Number: 18-9HM (K20OU)

8. Unit Name (if appl): ORCHARD UNIT Unit Number: COC66496X

9. Proposed Total Measured Depth: 12455

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 20 Twp: 8S Rng: 96W Meridian: 6
Latitude: 39.332083 Longitude: -108.135192

Footage at Surface: 1457 FNL/FSL FSL 1689 FEL/FWL FWL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 5960 13. County: MESA

14. GPS Data:

Date of Measurement: 05/21/2010 PDOP Reading: 1.8 Instrument Operator's Name: C.D. SLAUGH

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

Footage at Top of Prod Zone: FNL/FSL FSL 1383 FWL 1715 FSL 474 FEL
2149 FSL 1383 FWL 1715 FSL 474 FEL
Sec: 20 Twp: 8S Rng: 96W Sec: 18 Twp: 8S 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: 2399 ft

18. Distance to nearest property line: 2635 ft 19. Distance to nearest well permitted/completed in the same formation: 780 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.)
MANCOS	MNCAB			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC58675

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):
 T8S-R96W SECTION 8: SWNE, SE SECTION 17: ALL SECTION 18: LOTS 3, 4, SENE, E2SW, NESE, S2SE (EXCLUDING RESERVED ROW) SECTION 19: LOTS 1, 2, NE, E2NW SECTION 21: SWSW

25. Distance to Nearest Mineral Lease Line: 830 ft 26. Total Acres in Lease: 1462

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	20	LINEPIPE	40	5	40	0
SURF	14+3/4	10+3/4	40.5	1,400	665	1,400	0
1ST	9+7/8	7+5/8	29.7	6,200	769	6,200	0
2ND	6+1/2	5	23.2	12,455	417	12,455	0

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

33. Comments TOP OF PRODUCTION CASING CEMENT WILL BE 500' INSIDE INTERMEDIATE CASING. TOP OF INTERMEDIATE CASING WILL BE 200' ABOVE MESAVERDE. THE NEAREST PUBLIC ROAD IS 2399'.

34. Location ID: 334379

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: 8/13/2010 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: David S. Neslin Director of COGCC Date: 10/31/2010

Permit Number: _____ Expiration Date: 10/30/2012

API NUMBER

05 077 10113 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.

- 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) INTERMEDIATE CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.
- 4) 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 92 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400084780	FORM 2 SUBMITTED	LF@2531097 400084780
400084811	DEVIATED DRILLING PLAN	LF@2531098 400084811
400084812	PLAT	LF@2531099 400084812
400084848	FED. DRILLING PERMIT	LF@2531100 400084848

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	RECEIVED SUNDRIES TO ABANDON LOCATIONS ON 20-11, 20-10 & 20-14 BY	10/29/2010 6:07:53 AM
Permit	opr corrected and resubmitted today 8/26; passed completeness	8/26/2010 4:36:31 PM
Permit	top of producing zone footage should be FWL vs. FEL of section 20 - see plat; opr emailed/return to draft/ rest OK	8/16/2010 3:46:39 PM

Total: 3 comment(s)

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