

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:
2584547
Plugging Bond Surety
20100017

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: (720)876-6288
Email: NICK.CURRAN@ENCANA.COM

7. Well Name: JILLSON Well Number: 13-22

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

9. Proposed Total Measured Depth: 8345

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 22 Twp: 2N Rng: 68W Meridian: 6
Latitude: 40.119570 Longitude: -104.992740

Footage at Surface: 980 FSL 1688 FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4968 13. County: WELD

14. GPS Data:

Date of Measurement: 08/26/2010 PDOP Reading: 1.6 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
1980 FSL 600 FWL 1980 FSL 600 FWL
Sec: 22 Twp: 2N Rng: 68W Sec: 22 Twp: 2N Rng: 68W

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: 969 ft

18. Distance to nearest property line: 352 ft 19. Distance to nearest well permitted/completed in the same formation: 924 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.)
J SAND	JSND	232-23	320	W2

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):
N2SW AND 79.77 ACRES IN NW4 SEC 22 2N66W

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 159

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	700	300	700	0
1ST	7+7/8	4+1/2	11.6	8,345	290	8,345	7,228

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 318707

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: 10/4/2010 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. Nashin Director of COGCC Date: 11/16/2010

API NUMBER 05 123 32564 00	Permit Number: _____	Expiration Date: <u>11/15/2012</u>
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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 Jim Precup at 303-469-1902 or e-mail at james.precup@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 Shannon 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
1770653	SURFACE CASING CHECK	LF@2615983 1770653
2584547	APD ORIGINAL	LF@2606969 2584547
2584548	WELL LOCATION PLAT	LF@2606970 2584548
2584549	TOPO MAP	LF@2606971 2584549
2584550	MINERAL LEASE MAP	LF@2606972 2584550
2584551	SURFACE AGRMT/SURETY	LF@2606973 2584551
2584552	30 DAY NOTICE LETTER	LF@2606974 2584552
2584553	DEVIATED DRILLING PLAN	LF@2606975 2584553

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per Nick Curran, Encana has the JSND horizon leased (other operator and this application is intended only for the J-Sand. Please continue with review. PVG	10/28/2010 10:57:35 AM
Permit	During review of the 2a, it was discovered that the target location/formation of this well is located in a 400' window where Kerr-Mcgee already operates a well completed in the NB-CD. Asked operator to confirm they want this target or if an alternate productive interval location is desired. PVG	10/28/2010 9:19:33 AM

Total: 2 comment(s)

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