

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:
400094671
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: 15-7HM2 (C10OU)

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

9. Proposed Total Measured Depth: 12085

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 10 Twp: 8S Rng: 96W Meridian: 6
Latitude: 39.368608 Longitude: -108.099525

Footage at Surface: 1045 feet FNL/FSL FNL 1464 feet FEL/FWL FWL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 5568 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/30/2010 PDOP Reading: 2.0 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 1320 FNL FNL 1524 FWL FWL FEL/FWL 2204 FNL FNL 2410 FEL FEL
Sec: 10 Twp: 8S Rng: 96W Sec: 15 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: 3580 ft

18. Distance to nearest property line: 156 ft 19. Distance to nearest well permitted/completed in the same formation: 140 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	MNCS			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC58674

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):
 8S-96W SEC 9: NE, S2NW, S2 SEC 10: W2NW, SW, W2SE SEC 14: SWNW, NWSW, SESW SEC 15: W2E2, SENE, S2, NESE, SEC 16: ALL

25. Distance to Nearest Mineral Lease Line: 1379 ft 26. Total Acres in Lease: 2200

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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt 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		4,825	500	4,825	0
2ND	6+1/2	5	23.2		12,085	446	12,085	0

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

33. Comments THE NEAREST DISTANCE IS TO A BUILDING AND ABOVE GROUND UTILITY. TOP OF INTERMEDIATE CASING WILL BE 200 FT ABOVE THE MSVD. TOP OF THE PRODUCTION CASING WILL BE 500 FT INSIDE THE INTERMEDIATE CASING.

34. Location ID: 334093

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: 9/23/2010 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. Nashin Director of COGCC Date: 11/18/2010

API NUMBER **05 045 20205 00** Permit Number: _____ Expiration Date: 11/17/2012

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. PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.
2. THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.
3. NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.
4. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 294 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400094671	APD APPROVED
400094678	FED. DRILLING PERMIT
400094679	SURFACE AGRMT/SURETY
400094680	30 DAY NOTICE LETTER
400094681	DEVIATED DRILLING PLAN
400094682	PLAT
400110149	FORM 2 SUBMITTED

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	EMAILED MIRACLE TO ASK HER TO VERIFY THE NUMBER OF WELLS ON THIS PAD (17 STATED IN 2A) BUT WITH EXISTING AND ONE PROPOSED IT SHOULD SHOW 19 AS PER PRESENT COGCC DATA BASE Hello! I looked at this and talked to our Geologist and Dev group on their plans for the Satterfield 10-3D and we will not be using this APD and I will submit a abandon location sundry in the next few days. There should actually be 18 wells listed on Section 111 #1 after we abandon this one because there are 7 existing listed on the detailed multi well plan and 11 new. Sorry for the confusion.Thanks, Miracle Pfister	11/9/2010 9:57:09 AM
Permit	RECEIVED EMAIL FROM JASON OATES TO REMOVE THE ILES, MANCOS & WILLIAMS FORK FROM THE OBJECTIVE FORMATIONS 11/9/10	11/9/2010 9:56:56 AM
Permit	HORIZONTAL WELL BUT HAS MULTIPLE OBJECTIVES, NEED TO EMAIL MIRACLE. BY	11/1/2010 7:12:41 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)