

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

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:

400124158

Plugging Bond Surety

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: 15-12H2 (D14OU)

8. Unit Name (if appl): ORCHARD UNIT Unit Number: COC066496
X

9. Proposed Total Measured Depth: 14275

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 14 Twp: 8S Rng: 96W Meridian: 6
Latitude: 39.355701 Longitude: -108.084201

Footage at Surface: 590 feet FNL/FSL FNL 405 feet FEL/FWL FWL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 5953 13. County: MESA

14. GPS Data:

Date of Measurement: 03/25/2010 PDOP Reading: 2.1 Instrument Operator's Name: CD SLAUGH

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

Footage at Top of Prod Zone: FNL/FSL 1409 FNL 607 FWL FWL Bottom Hole: FNL/FSL 1580 FSL 680 FWL FWL

Sec: 14 Twp: 8S Rng: 96W Sec: 15 Twp: 8S Rng: 93W

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: 953 ft

18. Distance to nearest property line: 590 ft 19. Distance to nearest well permitted/completed in the same formation: 400 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-R96W SEC 9: NE, S2NW, S2 SEC 10: W2NW, SW, W2SE SEC 14: SWNW, NWSW, SESW SEC 15:W2E2, SENE, W2, NESE SEC 16: ALL

25. Distance to Nearest Mineral Lease Line: 1580 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/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	20	LINEPIPE	0	40	5	40	0
SURF	14+3/4	10+3/4	40.5	0	1,400	665	1,400	0
1ST	9+7/8	7+5/8	29.7	0	7,597	964	7,597	0
2ND	6+1/2	5	23.2	0	14,275	443	14,275	0

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

33. Comments THE NEAREST DISTANCE IS TO A PUBLIC ROAD . THE INTERMEDIATE CASING TOP OF CEMENT WILL BE 200 FT ABOVE THE MESAVERDE. THE PRODUCTION CASING TOP OF CEMENT WILL BE 500 FT INSIDE THE INTERMEDIATE CASING. THEY ARE LISTED UNDER THE 1ST AND 2ND STRING UNDER THE CASING.

34. Location ID: 334142

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: 1/14/2011 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: 2/8/2011

API NUMBER
 05 077 10149 00

Permit Number: _____ Expiration Date: 2/7/2013

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) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS [OR OTHER SHALLOWEST-KNOWN PRODUCING HORIZON]. VERIFY CEMENT WITH A CEMENT BOND LOG.
- 3) PRODUCTION 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 900 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400124158	FORM 2 SUBMITTED
400124192	SURFACE AGRMT/SURETY
400124193	30 DAY NOTICE LETTER
400124194	DEVIATED DRILLING PLAN
400124196	WELL LOCATION PLAT
400124197	FED. DRILLING PERMIT

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)