

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:

1633006

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 ☒

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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890
Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: RANCHERO Well Number: 1

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

9. Proposed Total Measured Depth: 8084

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 34 Twp: 2N Rng: 66W Meridian: 6

Latitude: 40.091765 Longitude: -104.769300

Footage at Surface: 1650 feet FNL/FSL 990 feet FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5010 13. County: WELD

14. GPS Data:

Date of Measurement: 06/04/2009 PDOP Reading: 1.5 Instrument Operator's Name: LINDERHOLM

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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 1090 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation: 1107 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	SW/4
NIOBRARA	NBRR	407	160	SW/4

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#: 20090011

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 Bond ☐ \$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):
T2N-R66W-SECTION 32: S2SE4/4; SECTION 33: E/2 LESS N 3/4 OF E2NENE, SW/4; SECTION 34: W/2

25. Distance to Nearest Mineral Lease Line: 1650 ft 26. Total Acres in Lease: 970

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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
SURF	12+1/4	8+5/8	24	0	211	200	211	0
1ST	7+7/8	4+1/2	11.6	0	8,084	300	8,084	6,756
		Stage Tool	0	0	949	275	949	0

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

33. Comments RECOMPLETION OF THE CODELL AND NIOBRARA FORMATIONS FOR THE RANCHERO #1. RECOMPLETION FORM 4 #1633007. A FORM 2A IS NOT REQUIRED FOR THIS RECOMPLETION BECAUSE NO PIT WILL BE CONSTRUCTED AND THERE WILL BE NO ADDITIONAL SURFACE DISTURBANCE BEYOND THE ORIGINALLY DISTURBED AREA.

34. Location ID: 318175

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: JENNIFER LIND

Title: REGULATORY Date: 1/31/2011 Email: JENNIFER.LIND@ENCANA.C

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: 3/1/2011

API NUMBER

05 123 08576 00

Permit Number: _____ Expiration Date: 2/28/2013

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.

Prior to recomplete, operator must: 1) Verify existing cement with a cement bond log. 2) If it is not present as follows, provide remedial cement 200' above Niobrara (minimum cement top of 6980'), 200' below Sussex to 200' above Sussex (minimum coverage 5050' to 4550'), and 949' (DV tool) into the surface casing shoe. Verify remedial cement coverage with cement bond log.

Attachment Check List

Att Doc Num	Name
1633006	APD ORIGINAL

Total Attach: 1 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)