

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | | | | |
|--|--|--|--|---|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | CONFIDENTIAL | | 5. Lease Serial No. COC61121 | |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone | | | | 6. If Indian, Allottee or Tribe Name | |
| 2. Name of Operator ENCANA OIL & GAS (USA) INC | | Contact: DEANNE SPECTOR E-Mail: deanne.spector@encana.com | | 7. If Unit or CA Agreement, Name and No. COC068997X | |
| 3a. Address 370 17TH STREET #1700 DENVER, CO 80202 | | 3b. Phone No. (include area code) Ph: 720-876-5826 | | 8. Lease Name and Well No. MCU 21-4D2 (M16W) | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 543FSL 1280FWL 39.43987 N Lat, 107.78324 W Lon At proposed prod. zone NWNW 980FNL 640FWL | | | | 9. API Well No. | |
| 14. Distance in miles and direction from nearest town or post office* +/- 13 MILES TO RIFLE | | | | 10. Field and Pool, or Exploratory MAMM CREEK | |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) PROPERTY LINE 543'; LEASE LINE 640'. | | 16. No. of Acres in Lease 1000.00 | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 16 T7S R93W Mer 6PM | |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 315' | | 19. Proposed Depth 10487 MD 10304 TVD | | 12. County or Parish GARFIELD | |
| 21. Elevations (Show whether DF, KB, RT, GL, etc. | | 22. Approximate date work will start 07/01/2011 | | 13. State CO | |
| | | | | 17. Spacing Unit dedicated to this well | |
| | | | | 20. BLM/BIA Bond No. on file | |
| | | | | 23. Estimated duration 10 DAYS | |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

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|--|---|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) DEANNE SPECTOR Ph: 720-876-5826 | Date 03/10/2011 |
| Title AUTHORIZED SIGNATURE | | |
| Approved by (Signature) | Name (Printed/Typed) | Date |
| Title | Office | |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #104150 verified by the BLM Well Information System
For ENCANA OIL & GAS (USA) INC, sent to the Glenwood Springs

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional Operator Remarks:

This will be a new well in Middleton Creek.

Federal Surface; Federal Minerals

The check request has been ordered and will be sent via over night mail.