


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		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DE</td> <td style="width: 25%;">ET</td> <td style="width: 25%;">OE</td> <td style="width: 25%;">ES</td> </tr> </table>	DE	ET	OE	ES
DE	ET	OE	ES				
APPLICATION FOR PERMIT TO:			Document Number: 400131102 Plugging Bond Surety 20100017				
1. <input checked="" type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>ENCANA OIL & GAS (USA) INC</u> 4. COGCC Operator Number: <u>100185</u>							
5. Address: <u>370 17TH ST STE 1700</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202-5632</u>							
6. Contact Name: <u>Heather Mitchell</u> Phone: <u>(720)876-3070</u> Fax: <u>(720)876-4070</u> Email: <u>heather.mitchell@encana.com</u>							
7. Well Name: <u>N. Parachute EMF</u> Well Number: <u>12A-16 H17 595</u>							
8. Unit Name (if appl): _____ Unit Number: _____							
9. Proposed Total Measured Depth: <u>11220</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>SENE</u> Sec: <u>17</u> Twp: <u>5S</u> Rng: <u>95W</u> Meridian: <u>6</u> Latitude: <u>39.616756</u> Longitude: <u>-108.070483</u>							
Footage at Surface: <u>1575</u> feet FNL/FSL <u>FNL</u> 502 feet FEL/FWL <u>FEL</u>							
11. Field Name: <u>Grand Valley</u> Field Number: <u>31290</u>							
12. Ground Elevation: <u>6444</u> 13. County: <u>GARFIELD</u>							
14. GPS Data: Date of Measurement: <u>09/21/2010</u> PDOP Reading: <u>3.6</u> Instrument Operator's Name: <u>Robert Kay</u>							
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL <u>2359</u> <u>FSL</u> <u>466</u> <u>FWL</u> <u>2359</u> <u>FSL</u> <u>466</u> <u>FWL</u> Sec: <u>16</u> Twp: <u>5S</u> Rng: <u>95W</u> Sec: <u>16</u> Twp: <u>5S</u> Rng: <u>95W</u>							
16. Is location in a high density area? (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>10050 ft</u>							
18. Distance to nearest property line: <u>1437 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>413 ft</u>							
20. LEASE, SPACING AND POOLING INFORMATION							
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well				
Williams Fork	WMFK	510-13	Unit Configuration (N/2, SE/4, etc.)				

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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):
Please see attached lease maps

25. Distance to Nearest Mineral Lease Line: 201 ft 26. Total Acres in Lease: 25889

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: Recycle and bury

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	26	16	Line pipe	0	120	117	120	0
SURF	12+1/4	9+5/8	36	0	1,700	370	1,700	0
2ND	7+7/8	4+1/2	11.6	0	11,220	592	11,220	

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

33. Comments Exxon owns the surface, Encana owns the minerals. #17 was calculated from the nearest utility. Conductor and Surface casing will be run to surface. Production casing will be set 200' above the Williams fork and the size of hole tapers from 8 3/4 to 7 7/8. The property line is determined by the southernmost Mahogany Marker a.k.a Hoffman #30, #31 in section 17 and #34, #35, #36 Placer Mining claim in Section 16. The property line was calculated using Garfield County Maps.

34. Location ID: 421017

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: Heather Mitchell

Title: Regulatory Analyst Date: 2/17/2011 Email: heather.mitchell@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. Neslin Director of COGCC Date: 3/21/2011

Permit Number: _____ Expiration Date: 3/20/2013

API NUMBER

05 045 20512 00

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) GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

(3) 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 00 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400131102	FORM 2 SUBMITTED
400133975	TOPO MAP
400133977	LEASE MAP
400133978	OTHER
400133980	PLAT
400133981	DEVIATED DRILLING PLAN
400135178	SURFACE AGRMT/SURETY

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Opr corrected. kk	2/28/2011 8:08:31 AM
Permit	Operator has not answered the questions concerning surface damage assurance. kk	2/22/2011 3:20:02 PM
Permit	Back to draft for Surface and Mineral owner information. kk	2/18/2011 11:15:13 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)