

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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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:

400147749

Plugging Bond Surety

3. Name of Operator: ENCANA OIL & GAS (USA) INC 4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240Email: Julia.Carter@encana.com7. Well Name: SG Well Number: 8503E-22 N224968. Unit Name (if appl): Story Gulch Unit Number: COC69333X9. Proposed Total Measured Depth: 13202

WELL LOCATION INFORMATION

10. QtrQtr: 5 Sec: 22 Twp: 4S Rng: 96W Meridian: 6Latitude: 39.684211 Longitude: -108.156986Footage at Surface: 1331 feet FSL 2014 feet FWL11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 7585 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/03/2010 PDOP Reading: 4.1 Instrument Operator's Name: Robert Kay15. 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

1229 FNL 1315 FWL 1299 FNL 1315 FWLSec: 22 Twp: 4S Rng: 96W Sec: 22 Twp: 4S Rng: 96W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 13212 ft18. Distance to nearest property line: 2014 ft 19. Distance to nearest well permitted/completed in the same formation: 251 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.)
Iles	ILES			
Williams Fork	WMFK			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC64814

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):
T4S-R96W, 6th PM, Sec 22, 23 & 24: ALL; Sec 26: NW; Sec 27:N2

25. Distance to Nearest Mineral Lease Line: 1315 ft 26. Total Acres in Lease: 2425

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 & 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	20	Line Pipe	0	120		120	
SURF	14+3/4	9+5/8	36#	0	2,000	626	2,000	
1ST	7+7/8	4+1/2	11.6#	0	13,202	1,276	13,202	

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

33. Comments Encana Oil & Gas (USA) Inc owns surface. Please note cement will be run to surface for both conductor and surface casing. The surface casing hole size will be 14-3/4", 12-1/4" or 13-1/2". Production casing hole size will be both 7-7/8" and 8-3/4". Production casing cement top will be 500' above top of gas. Distance on #17 taken from the nearest building. Onsite was on 10/13/10 with the BLM.

34. Location ID: _____

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: Julia M. Carter

Title: Regulatory Analyst Date: _____ Email: Julia.Carter@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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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.

Empty rectangular box for additional conditions or notes.

Attachment Check List

Att Doc Num	Name
400147755	PLAT
400147756	DEVIATED DRILLING PLAN
400147757	FED. DRILLING PERMIT
400147758	MINERAL LEASE MAP
400147759	TOPO MAP
400147761	OTHER

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)