

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 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
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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:  
 400147716  
 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: Julia Carter      Phone: (720)876.5240      Fax: (720)876.6240  
 Email: Julia.Carter@encana.com

7. Well Name: SG      Well Number: 8503D-22 N22496

8. Unit Name (if appl): Story Gulch      Unit Number: COC69333X

9. Proposed Total Measured Depth: 13318

**WELL LOCATION INFORMATION**

10. QtrQtr: 5      Sec: 22      Twp: 4S      Rng: 96W      Meridian: 6  
 Latitude: 39.684233      Longitude: -108.156975

Footage at Surface:      1338 feet      FSL      2017 feet      FWL

11. Field Name: Wildcat      Field Number: 99999

12. Ground Elevation: 7585      13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/03/2010      PDOP Reading: 2.9      Instrument Operator's Name: Robert Kay

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  
1048      FNL      1305      FWL      1048      FNL      1305      FWL  
 Sec: 22      Twp: 4S      Rng: 96W      Sec: 22      Twp: 4S      Rng: 96W

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: 13212 ft

18. Distance to nearest property line: 2017 ft      19. Distance to nearest well permitted/completed in the same formation: 251 ft

**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			

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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: 1305 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	0
SURF	14+3/4	9+5/8	36#	0	2,000	626	2,000	0
1ST	7+7/8	4+1/2	11.6#	0	13,318	1,289	13,318	

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 > 200' above WMFK. 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: 3/29/2011 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: David S. Nesline Director of COGCC Date: 5/6/2011  
Permit Number: \_\_\_\_\_ Expiration Date: 5/5/2013

**API NUMBER**

05 045 20642 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 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
400147716	FORM 2 SUBMITTED
400147726	TOPO MAP
400147728	OTHER
400147729	PLAT
400147730	FED. DRILLING PERMIT
400147731	DEVIATED DRILLING PLAN

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)