


<b>FORM</b> <b>2</b> Rev 12/05	<b>State of Colorado</b> <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> Document Number:  400148076  Plugging Bond Surety	DE	ET	OE	ES
DE	ET	OE	ES				
<b>APPLICATION FOR PERMIT TO:</b>							
1. <input checked="" type="checkbox"/> <b>Drill,</b> <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 type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>ENCANA OIL &amp; 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>Julia Carter</u> Phone: <u>(720)876.5240</u> Fax: <u>(720)876.6240</u> Email: <u>Julia.Carter@encana.com</u>							
7. Well Name: <u>SG</u> Well Number: <u>8508C-21 N22 49</u>							
8. Unit Name (if appl): <u>Story Gulch</u> Unit Number: <u>COC69333X</u>							
9. Proposed Total Measured Depth: <u>13517</u>							
<b>WELL LOCATION INFORMATION</b>							
10. QtrQtr: <u>SESW</u> Sec: <u>22</u> Twp: <u>4S</u> Rng: <u>96W</u> Meridian: <u>6</u> Latitude: <u>39.684100</u> Longitude: <u>-108.157078</u>							
Footage at Surface: <u>1289</u> feet      FNL/FSL <u>FSL</u> <u>1987</u> feet      FEL/FWL <u>FWL</u>							
11. Field Name: <u>Wildcat</u> Field Number: <u>99999</u>							
12. Ground Elevation: <u>7585</u> 13. County: <u>GARFIELD</u>							
14. GPS Data: Date of Measurement: <u>08/03/2010</u> PDOP Reading: <u>4.0</u> Instrument Operator's Name: <u>Robert Kay</u>							
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone:      FNL/FSL      FEL/FWL      Bottom Hole:      FNL/FSL      FEL/FWL <u>2022</u> <u>FNL</u> <u>1310</u> <u>FEL</u> <u>2022</u> <u>FNL</u> <u>1310</u> <u>FEL</u> Sec: <u>21</u> Twp: <u>4S</u> Rng: <u>96W</u> Sec: <u>21</u> Twp: <u>4S</u> Rng: <u>96W</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>13212 ft</u>							
18. Distance to nearest property line: <u>1987 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>255 ft</u>							
<b>20. LEASE, SPACING AND POOLING INFORMATION</b>							
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 #: COC64815

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 16, 17 & 18: ALL; Sec 21: N2, SW, W2SE, SESE

25. Distance to Nearest Mineral Lease Line: 620 ft 26. Total Acres in Lease: 2434

**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	13,517	1,312	13,517	

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: 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 20649 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) RESERVE PIT MUST BE LINED.

(4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS.

(5) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.

(6) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.

(7) 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
400148076	FORM 2 SUBMITTED
400148082	PLAT
400148083	FED. DRILLING PERMIT
400148084	DEVIATED DRILLING PLAN
400148085	TOPO MAP
400148087	OTHER
400148088	LEASE MAP

Total Attach: 7 Files

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

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	distance to nearest lease line changed to 620' w/consent of Carter @ EnCana .dhs	3/30/2011 1:18:43 PM
Permit	Made addition to well name as per Julia Carter. I just submitted a Form 2 (document # 400148076) and inadvertently left off part of the well number. It currently says 8508C-21. It should say 8508C-21 N22 496. If you could please add the N22 496 part of the well number I'd greatly appreciate it.Thank you, Julia Carter	3/30/2011 4:58:37 AM

Total: 2 comment(s)

**BMP**

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

Total: 0 comment(s)