


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: 400154592 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 type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" 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>JENNIFER LIND</u> Phone: <u>(720)876-5890</u> Fax: <u>(720)876-6890</u> Email: <u>JENNIFER.LIND@ENCANA.COM</u>							
7. Well Name: <u>BURY CRANDELL</u> Well Number: <u>31-23</u>							
8. Unit Name (if appl): _____ Unit Number: _____							
9. Proposed Total Measured Depth: <u>8534</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>NENE</u> Sec: <u>23</u> Twp: <u>1N</u> Rng: <u>68W</u> Meridian: <u>6</u> Latitude: <u>40.041250</u> Longitude: <u>-104.964980</u>							
Footage at Surface: <u>1066</u> feet FNL/FSL <u>FNL</u> 1053 feet FEL/FWL <u>FEL</u>							
11. Field Name: <u>WATTENBERG</u> Field Number: <u>90750</u>							
12. Ground Elevation: <u>5113</u> 13. County: <u>BROOMFIELD</u>							
14. GPS Data: Date of Measurement: <u>03/31/2011</u> PDOP Reading: <u>2.1</u> Instrument Operator's Name: <u>MCGEHEE</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 <u>510</u> FEL/FWL <u>FNL</u> 1880 FEL <u>FEL</u> Bottom Hole: FNL/FSL <u>510</u> FEL/FWL <u>FNL</u> 1880 FEL <u>FEL</u> Sec: <u>23</u> Twp: <u>1N</u> Rng: <u>68W</u> Sec: <u>23</u> Twp: <u>1N</u> Rng: <u>68W</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>463</u> ft							
18. Distance to nearest property line: <u>1053</u> ft 19. Distance to nearest well permitted/completed in the same formation: <u>640</u> 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.)			
CODELL	CODL	407	160	NE/4			
J SAND	JSND	232	320	E/2			
NIOBRARA	NBRR	407	160	NE/4			

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):
T1N-R68W-SEC.23: NE/4

25. Distance to Nearest Mineral Lease Line: _____ 510 ft 26. Total Acres in Lease: _____ 160

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

Method: ☐ Land Farming ☒ Land Spreading ☐ Disposal Facility Other: _____

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
SURF	12+1/4	8+5/8	24	0	1,090	397	1,090	0
1ST	7+7/8	4+1/2	11.6	0	8,534	189	8,534	7,359
S.C. 1.1					5,135	83	5,135	4,535

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

33. Comments NO CONDUCTOR CASING WILL BE UTILIZED

34. Location ID: 321535

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: 4/19/2011 Email: JENNIFER.LIND@ENCANA.C

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: 5/12/2011

API NUMBER

05 014 20711 00

Permit Number: _____ Expiration Date: 5/11/2013

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) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400154592	FORM 2 SUBMITTED
400154673	SURFACE AGRMT/SURETY
400154674	WELL LOCATION PLAT
400154676	30 DAY NOTICE LETTER
400155968	TOPO MAP
400155995	DEVIATED DRILLING PLAN
400155996	MINERAL LEASE MAP

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed Surface location from 1061 FNL & 1045' FEL to 1066 FNL & 1053 FEL. Changed Lat/Long to 40.04125/-104.96498, distance to property line from 1045' to 1053', Change line 17: The distance to the nearest building, road, utility or railroad from 454' to 463' per the well plat. plg.	5/2/2011 2:14:08 PM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)