

<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:  
 400154591

Plugging Bond Surety  
 20100017

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: JENNIFER LIND      Phone: (720)876-5890      Fax: (720)876-6890  
 Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: BURY CRANDELL      Well Number: 8-2-23

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8539

**WELL LOCATION INFORMATION**

10. QtrQtr: NENE      Sec: 23      Twp: 1N      Rng: 68W      Meridian: 6  
 Latitude: 40.041280      Longitude: -104.964910

Footage at Surface:      1061 feet      FNL      1045 feet      FEL

11. Field Name: WATTENBERG      Field Number: 90750

12. Ground Elevation: 5113      13. County: BROOMFIELD

14. GPS Data:  
 Date of Measurement: 03/31/2011      PDOP Reading: 1.7      Instrument Operator's Name: MCGEHEE

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

1325      FNL      50      FEL      1325      FNL      50      FEL

Sec: 23      Twp: 1N      Rng: 68W      Sec: 23      Twp: 1N      Rng: 68W

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: 454 ft

18. Distance to nearest property line: 1036 ft      19. Distance to nearest well permitted/completed in the same formation: 795 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.)
CODELL	CODL	407	160	GWA
J SAND	JSND	232	160	GWA
NIORARA	NBRR	407	160	GWA

**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: 50 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 **If 28, 29, or 30 are "Yes" a pit permit may be required.**  
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	8,539	191	8,539	7,353
S.C. 1.1					5,179	83	5,179	4,579

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 20713 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/11/2013

**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_

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

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
400154591	FORM 2 SUBMITTED
400154669	SURFACE AGRMT/SURETY
400154670	WELL LOCATION PLAT
400154672	30 DAY NOTICE LETTER
400155961	PROPOSED SPACING UNIT
400155965	TOPO MAP
400155999	MINERAL LEASE MAP
400156000	DEVIATED DRILLING PLAN

Total Attach: 8 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Changed surface location to match well plat. Changed line 17: The distance to the nearest building, road, utility or railroad from 445' to 454' per the well plat. plg.	5/2/2011 1:54:10 PM

Total: 1 comment(s)

**BMP**

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

Total: 0 comment(s)