

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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| 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:

400175845

Plugging Bond Surety

20100017

3. Name of Operator: ENCANA OIL & GAS (USA) INC4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070Email: heather.mitchell@encana.com7. Well Name: Benzel Fee Well Number: 24-16D (F25NWB)8. Unit Name (if appl): Grass Mesa Unit Unit Number: COC-056608X9. Proposed Total Measured Depth: 8922

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 25 Twp: 6S Rng: 93W Meridian: 6Latitude: 39.500328 Longitude: -107.725936
 Footage at Surface: 1614 feet FNL/FSL FNL 2172 feet FEL/FWL FWL
11. Field Name: Grass Mesa Unit Field Number: _____12. Ground Elevation: 5827 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 11/08/2010 PDOP Reading: 2.4 Instrument Operator's Name: C.D. Slaugh15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 225 FSL 678 FEL FEL Bottom Hole: FNL/FSL 225 FSL 678 FEL FEL
 Sec: 24 Twp: 6S Rng: 93W Sec: 24 Twp: 6S Rng: 93W
16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1913 ft18. Distance to nearest property line: 501 ft 19. Distance to nearest well permitted/completed in the same formation: 250 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Williams Fork | WMFK | | | |

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 Bond ☐ \$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):
6S-93W; Sec. 23: NESE; Sec. 24: N2, NWSW, E2SE, Sec. 25: E2NE, SWNE

25. Distance to Nearest Mineral Lease Line: _____ 657 ft _____ 26. Total Acres in Lease: _____ 627 _____

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 |
|-------------|--------------|----------------|----------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 24 | 16 | linepipe | 0 | 40 | 5 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,360 | 423 | 1,360 | 0 |
| 2ND | 7+7/8 | 4+1/2 | 12 | 0 | 8,922 | 648 | 8,922 | |

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

33. Comments The distance in # 17 is from the nearest public road Conductor and surface casing cement is run to surface Production casing will be cemented to 500' above TOG

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: Heather Mitchell

Title: Regulatory Analyst Date: 6/16/2011 Email: heather.mitchell@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. Neslin Director of COGCC Date: 7/8/2011

API NUMBER

05 045 20848 00

Permit Number: _____ Expiration Date: 7/7/2013

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.) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 500 FEET DEEP.

2.) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400175845 | FORM 2 SUBMITTED |
| 400175869 | SURFACE AGRMT/SURETY |
| 400175870 | DEVIATED DRILLING PLAN |
| 400175871 | PLAT |

Total Attach: 4 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> |
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Total: 0 comment(s)