

FORM
2Rev
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



DE ET OE ES

Document Number:

400180874

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☐Refilling ☐Sidetrack ☐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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240Email: Julia.Carter@encana.com7. Well Name: SG Well Number: 8513A-25 D364968. Unit Name (if appl): Story Gulch Unit Number: COC69333X9. Proposed Total Measured Depth: 13224

WELL LOCATION INFORMATION

10. QtrQtr: Lot 4 Sec: 36 Twp: 4S Rng: 96W Meridian: 6Latitude: 39.665103 Longitude: -108.122786Footage at Surface: 344 feet FNL/FSL 1064 feet FEL/FWL
FNL FWL11. Field Name: Grand Valley Field Number: 3129012. Ground Elevation: 8290 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/01/2009 PDOP Reading: 1.5 Instrument Operator's Name: Greg Olsen15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 1168 FSL 676 FWL 1168 FSL 676 FWL
Bottom Hole: FNL/FSL 1168 FSL 676 FWL
Sec: 25 Twp: 4S Rng: 96W Sec: 25 Twp: 4S Rng: 96W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 31129 ft18. Distance to nearest property line: 2790 ft 19. Distance to nearest well permitted/completed in the same formation: 198 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.)
Iles	ILES			
Williams Fork	WMFK			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC6113622. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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):

T4S-R96W, Sec 25: ALL

25. Distance to Nearest Mineral Lease Line: 676 ft

26. Total Acres in Lease: 640

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	3,000	939	3,000	0
1ST	7+7/8	4+1/2	11.6#	0	13,224	1,365	13,224	

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

33. Comments Encana Oil & Gas (USA) Inc owns surface. Please note the 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 nearest above ground utility. Onsite was 8/12/2009 with BLM and CDOW.

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: 6/30/2011

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: 8/7/2011

API NUMBER

05 045 20932 00

Permit Number: _____ Expiration Date: 8/6/2013

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)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 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 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400180874	APD APPROVED
400180878	LEASE MAP
400180879	OTHER
400180880	TOPO MAP
400180885	WELL LOCATION PLAT
400180887	FED. DRILLING PERMIT
400180888	DEVIATED DRILLING PLAN
400193025	FORM 2 SUBMITTED

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected shl latitude to match Well Location Plat Added field as Grand Valley Renamed attachment from Plat to Well Location Plat	7/27/2011 2:42:14 PM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)