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Document Number:
 400189706
 PluggingBond SuretyID
 20100017

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL
 OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE COMMINGLE

Refiling
 Sidetrack

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: DEASON Well Number: 4-4-36
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 8477

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 36 Twp: 2N Rng: 69W Meridian: 6
 Latitude: 40.100080 Longitude: -105.067450
 Footage at Surface: 1014 feet FNL 1928 feet FWL
 11. Field Name: WATTENBERG Field Number: 90750
 12. Ground Elevation: 5016 13. County: BOULDER

14. GPS Data:
 Date of Measurement: 05/17/2011 PDOP Reading: 1.2 Instrument Operator's Name: WINANS

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
2593 FNL 2591 FWL 2593 FNL 2591 FWL
 Sec: 36 Twp: 2N Rng: 69W Sec: 36 Twp: 2N Rng: 69W

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: 725 ft
 18. Distance to nearest property line: 565 ft 19. Distance to nearest well permitted/completed in the same formation: 917 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		160	GWA
NIOBRARA	NBRR	407	160	GWA

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):

T2N-R69W-SEC. 35: N/2NE; SEC. 36: NW/4

25. Distance to Nearest Mineral Lease Line: 47 ft 26. Total Acres in Lease: 240

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	750	273	750	0
1ST	7+7/8	4+1/2	11.6	0	8,477	177	8,477	7,374
S.C. 1.1					5,345	154	5,345	4,221

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

33. Comments NO CONDUCTOR CASING SHALL BE UTILIZED. ENCANA REQUESTS THE APPROVAL OF THE OMISSION OF OPEN HOLE LOGS FOR THIS WELL. CEMENT BOND LOGS WILL BE FURNISHED IN PLACE OF THE OPEN HOLE LOGS. REQUEST LETTER ATTACHED. Proposed 160 acre spacing unit: SE4NW4, SW4NE4, NE4SW4, NW4SE4 Sec. 36.

34. Location ID: 336166

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: 7/28/2011 Email: JENNIFER.LIND@ENCANA.

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: 9/8/2011

API NUMBER
05 013 06648 00

Permit Number: _____ Expiration Date: 9/7/2013

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) 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. 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
400189706	FORM 2 SUBMITTED
400189773	TOPO MAP
400189775	WELL LOCATION PLAT
400189776	DEVIATED DRILLING PLAN
400189779	OTHER
400189783	SURFACE AGRMT/SURETY
400189786	30 DAY NOTICE LETTER
400190508	MINERAL LEASE MAP
400190513	PROPOSED SPACING UNIT

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	surface location of 3 other wells (Deason 2-4-36, 4-2-36, 22-36) on pad moved in line with this well. Surface hole locations are now 10' apart.	8/25/2011 9:38:21 AM
Permit	J Sand not spaced. Remove spacing order.	3/5/2011 3:35:55 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)