

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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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 ☐

Document Number:

400189706

PluggingBond SuretyID

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: 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

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	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. Neslin 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)