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Document Number:  
 400194784  
 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: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070  
 Email: heather.mitchell@encana.com  
 7. Well Name: N. Parachute Well Number: DHS8B-9 004 696  
 8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_  
 9. Proposed Total Measured Depth: 18537

**WELL LOCATION INFORMATION**

10. QtrQtr: 9 Sec: 4 Twp: 6S Rng: 96W Meridian: 6  
 Latitude: 39.550819 Longitude: -108.107714  
 Footage at Surface: 1498 feet FNL/FSL FSL 1509 feet FEL/FWL FEL  
 11. Field Name: Grand Valley Field Number: 31290  
 12. Ground Elevation: 6014 13. County: GARFIELD

14. GPS Data:  
 Date of Measurement: 05/27/2011 PDOP Reading: 2.3 Instrument Operator's Name: Robert Kay

15. If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**  
 Footage at Top of Prod Zone: FNL/FSL 871 FSL 2058 FEL FEL Bottom Hole: FNL/FSL 1671 FSL 697 FEL/FWL FWL  
 Sec: 4 Twp: 6S Rng: 96W Sec: 9 Twp: 6S Rng: 96W

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: 2550 ft  
 18. Distance to nearest property line: 2495 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 12594 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.)
Mancos	MNCS			

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):

See attached lease maps

25. Distance to Nearest Mineral Lease Line: 697 ft 26. Total Acres in Lease: 25889

### 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 and 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	30	20	linepipe	0	120		120	0
SURF	14+3/4	10+3/4	46	0	2,500	885	2,500	0
2ND	9+7/8	7+5/8	30	0	10,800	890	10,800	
3RD	6+1/2	5	23	0	18,537	508	18,537	

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

33. Comments Encana owns both the surface and the minerals. This is a refile 05-045-18806. The name and bottom hole location and type of well have changed. A revised directional plan and well location plat are attached. The distance in #17 is from the nearest public road. Conductor and surface cement will be run to surface 2nd string will be cemented to 200' above TOG 3rd string will be cemented into 2nd string

34. Location ID: 414231

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: 8/17/2011 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. Nashin Director of COGCC Date: 9/14/2011

<b>API NUMBER</b>
05 045 18806 00

Permit Number: \_\_\_\_\_ Expiration Date: 9/13/2013

**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) RESERVE PIT MUST BE LINED.
- (4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS.
- (5) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.
- (6) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.
- (7) THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 -MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.
- (8) Provide cement coverage from the intermediate casing shoe to a minimum of 200' above Niobrara [or other shallowest-known producing horizon]. Verify cement with a cement bond log.  
If the production liner is cemented, verify cement with a cement bond log.

### **Attachment Check List**

Att Doc Num	Name
400194784	FORM 2 SUBMITTED
400194804	LEASE MAP
400194807	WELL LOCATION PLAT
400194808	DEVIATED DRILLING PLAN

Total Attach: 4 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Niobrara is a formation occurring in the middle portion of the Mancos geologic unit. Neither formation is spaced in this area.	3/9/2011 4:04:37 PM
Engineer	question for 'final' permitting review: this eForm notes Mancos as objective, whereas deviated drilling plan appears to target the Niobrara. Is this pretty much the same thing? Or a difference which should be reconciled?	8/19/2011 12:40:16 PM

Total: 2 comment(s)

### **BMP**

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

Total: 0 comment(s)