

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:

400199322

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: BANJO Well Number: 22-25

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 8655

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 25 Twp: 1N Rng: 69W Meridian: 6

Latitude: 40.025480

Longitude: -105.069260

Footage at Surface: 1444 feet FNL 1473 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5173 13. County: BOULDER

14. GPS Data:

Date of Measurement: 08/31/2009 PDOP Reading: 1.7 Instrument Operator's Name: KNUTSON

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
2130 FNL 2130 FWL 2130 FNL 2130 FWL
Sec: 25 Twp: 1N Rng: 69W Sec: 25 Twp: 1N 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: 955 ft

18. Distance to nearest property line: 713 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 975 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 | NW/4 |
| J SAND | JSND | | 160 | NW/4 |
| NIOBRARA | NBRR | 407 | 160 | NW/4 |

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#: 20090011

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):

T1N-R69W-SEC.25: E/2NW/4

25. Distance to Nearest Mineral Lease Line: 551 ft

26. Total Acres in Lease: 80

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 | 700 | 255 | 700 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,655 | 194 | 8,655 | 7,445 |
| | | | Stage Tool | | 5,162 | 83 | 5,162 | 4,562 |

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

33. Comments BANJO 22-25 REFILE. CONDUCTOR CASING WILL NOT BE UTILIZED.

34. Location ID: 321342

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: 9/1/2011

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: 9/25/2011

API NUMBER

05 013 06617 00

Permit Number: _____ Expiration Date: 9/24/2013

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 |
|-------------|------------------------|
| 400199322 | FORM 2 SUBMITTED |
| 400202054 | TOPO MAP |
| 400202055 | OTHER |
| 400202056 | 30 DAY NOTICE LETTER |
| 400202058 | WELL LOCATION PLAT |
| 400202059 | MINERAL LEASE MAP |
| 400202184 | DEVIATED DRILLING PLAN |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Returned to draft. Missing question 19 | 3/1/2011 1:44:50 PM |

Total: 1 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)