

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator: ENCANA OIL & GAS (USA) INC
Contact: MIRACLE PFISTER
E-Mail: miracle.pfister@encana.com

3a. Address: 370 17TH STREET, STE 400
DENVER, CO 80233

3b. Phone No. (include area code)
Ph: 720-876-3761
Fx: 720-876-4861

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface: SENE 2173FNL 661FEL 39.351026 N Lat, 108.106805 W Lon
At proposed prod. zone: SESE 597FSL 771FEL

14. Distance in miles and direction from nearest town or post office*
~12 MILES SOUTH EAST OF THE TOWN OF DEBEQUE

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
597'

16. No. of Acres in Lease
80.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
1500'

19. Proposed Depth
14609 MD
9032 TVD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
5845 GL

22. Approximate date work will start
10/01/2011

CONFIDENTIAL

5. Lease Serial No.
COC58674

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
ORCHARD UNIT

8. Lease Name and Well No.
KEINATH FEDERAL 10-16H2 (H16OU)

9. API Well No.

10. Field and Pool, or Exploratory
GRAND VALLEY

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 16 T8S R96W Mer 6PM

12. County or Parish
MESA COUNTY

13. State
CO

17. Spacing Unit dedicated to this well

20. BLM/BIA Bond No. on file
COB000235

23. Estimated duration
2 YEARS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
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| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) MIRACLE PFISTER Ph: 720-876-3761	Date 08/31/2011
Title REGULATORY ANALYST		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

**Electronic Submission #116618 verified by the BLM Well Information System
For ENCANA OIL & GAS (USA) INC, sent to the Glenwood Springs**

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional Operator Remarks:

THE KEINATH FEDERAL 10-16H2(H160U) PLANNED HORIZONTAL WELL IS WITHIN THE ORCHARD UNIT BOUNDARY & THE H160U WAS LISTED AS A PROPOSED PAD IN THE ORCHARD MASTER PLAN OF DEVELOPMENT AMENDMENT. THIS WELL PAD IS EXISTING AND PLANS TO BE EXPANDED.

BLM BOND COBOOO235/NATIONWIDE OIL & GAS BOND SURETY I.D. NO RLB0004733
SURFACE OWNERSHIP - FEE/MINERAL OWNERSHIP - FEDERAL

SURFACE OWNER:
STEVEN AND SHERRY KEINATH
884 CR 339
PARACHUTE, CO 81635

ATTACHMENTS:
DRILLING PLANS
DIRECTIONAL SURVEY
SURFACE USE PLAN
SELF CERT PAGE
SURVEY & PLAT
ONE-MILE RADIUS MAP

GIS DATA WILL BE E-MAILED DIRECTLY TO THE BLM.