

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



DE	ET	OE	ES
Document Number: 400206500			
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: MELBON RANCH Well Number: 8-8-17  
8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_  
9. Proposed Total Measured Depth: 8197

#### WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 17 Twp: 2N Rng: 65W Meridian: 6  
Latitude: 40.136820 Longitude: -104.679800

Footage at Surface: 1956 feet FNL/FSL 387 feet FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750  
12. Ground Elevation: 4901 13. County: WELD

#### 14. GPS Data:

Date of Measurement: 08/20/2011 PDOP Reading: 1.1 Instrument Operator's Name: BURKE

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 50 FSL 50 FEL 50 FEL 50  
Bottom Hole: FNL/FSL 50 FSL 50 FEL 50  
Sec: 17 Twp: 2N Rng: 65W Sec: 17 Twp: 2N Rng: 65W

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: 365 ft

18. Distance to nearest property line: 56 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 925 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	232	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-R65W-SEC.17: N/2NE, S/2

25. Distance to Nearest Mineral Lease Line: 50 ft

26. Total Acres in Lease: 400

### 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	850	255	850	0
1ST	7+7/8	4+1/2	11.6	0	8,197	173	8,197	7,119
			Stage Tool		5,038	83	5,038	4,438

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

33. Comments NO CONDUCTOR CASING WILL BE UTILIZED. ENCANA REQUESTS THE APPROVAL OF THE OMISSION OF OPEN HOLE LOGS ON THIS WELL. REQUEST LETTER ATTACHED. ENCANA ALSO REQUESTS THE APPROVAL OF A RULE 318A.a, 318A.c AND RULE 603.a EXCEPTION LOCATION AS THE WELL HEAD WILL BE LOCATED OUTSIDE A GWA DRILLING WINDOW, LOCATED FURTHER THAN 50' FROM AN EXISTING WELL AND LOCATED CLOSER THAN 150' TO A PROPERTY LINE. WAIVERS ARE ATTACHED. PROPOSED SPACING UNIT IS SESE SEC 17, SWSW SEC 16, NWNW SEC 20, NENE SEC 21.

34. Location ID: 332025

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: 9/26/2011 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: 10/20/2011

API NUMBER

05 123 34580 00

Permit Number: \_\_\_\_\_ Expiration Date: 10/19/2013

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 via e-mail at jim.precup@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with a cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from the end of production casing 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
2481206	SURFACE CASING CHECK
400206500	FORM 2 SUBMITTED
400208598	MINERAL LEASE MAP
400208599	WELL LOCATION PLAT
400208600	DEVIATED DRILLING PLAN
400208602	EXCEPTION LOC WAIVERS
400208605	EXCEPTION LOC REQUEST
400208606	TOPO MAP
400208607	30 DAY NOTICE LETTER
400208608	OTHER
400208610	PROPOSED SPACING UNIT

Total Attach: 11 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	No LGD or public comment received; final review completed.	10/19/2011 7:11:28 AM
Permit	Encana is asking not to run open hole logs and there is very little well control. They appear to be running logs in the window wells but not on the infill wells.	9/28/2011 6:47:35 AM

Total: 2 comment(s)

### **BMP**

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

Total: 0 comment(s)