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Document Number:
 400252761
 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: Erin Hochstetler Phone: (720)876-5827 Fax: ()
 Email: erin.hochstetler@encana.com
 7. Well Name: IONE Well Number: 2-4-2
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 8195

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 2 Twp: 2N Rng: 66W Meridian: 6
 Latitude: 40.170460 Longitude: -104.749010
 Footage at Surface: 1472 feet FNL 1332 feet FWL
 11. Field Name: WATTENBERG Field Number: 90750
 12. Ground Elevation: 5050 13. County: WELD

14. GPS Data:
 Date of Measurement: 07/14/2010 PDOP Reading: 2.4 Instrument Operator's Name: CRAIG BURKE

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 _____
2580 FNL 1350 FWL 2580 FNL 1350 FWL
 Sec: 2 Twp: 2N Rng: 66W Sec: 2 Twp: 2N Rng: 66W

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: 1965 ft
 18. Distance to nearest property line: 1160 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 833 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.)
CODELL	CODL	407	320	W/2 OF SEC2
J SAND	JSND	232-23	320	W/2 OF SEC2
NIOBRARA	NBRR	407	320	W/2 OF SEC2

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):
 ALL OF SEC. 2, S2 OF SEC. 4, NE OF SEC. 8 & E2 OF SEC. 10, T2N, R66W

25. Distance to Nearest Mineral Lease Line: 1350 ft 26. Total Acres in Lease: 1680

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	800	350	800	0
1ST	7+7/8	4+1/2	11.6	0	8,195	270	8,195	7,153

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 416456

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: Erin Hochstetler

Title: Permitting Technician Date: _____ Email: erin.hochstetler@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: _____ Director of COGCC Date: _____

API NUMBER
 05 123 31378 00

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400255043	PROPOSED SPACING UNIT
400255044	DEVIATED DRILLING PLAN
400255045	WELL LOCATION PLAT
400255046	MINERAL LEASE MAP
400255047	TOPO MAP
400255048	30 DAY NOTICE LETTER
400255049	SURFACE AGRMT/SURETY
400255050	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
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Total: 0 comment(s)

BMP

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

Total: 0 comment(s)