

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



Document Number:

400251726

Date Received:

02/14/2012

APPLICATION FOR PERMIT TO:

1.  Drill,  Deepen,  Re-enter,  **Recomplete and Operate**

2. TYPE OF WELL

OIL  GAS  COALBED  OTHER Injection  
SINGLE ZONE  MULTIPLE  COMMINGLE

Refiling   
Sidetrack

PluggingBond SuretyID

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: Julia Carter Phone: (720)876.5240 Fax: (720)876.6240

Email: Julia.Carter@encana.com

7. Well Name: SGU Well Number: 8506B F26 496

8. Unit Name (if appl): Story Gulch Unit Number: COC69333X

9. Proposed Total Measured Depth: 12740

WELL LOCATION INFORMATION

10. QtrQtr: SEnw Sec: 26 Twp: 4S Rng: 96W Meridian: 6

Latitude: 39.675797 Longitude: -108.138625

Footage at Surface: 1740 feet FNL/FSL FNL 1906 feet FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8238 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/12/2007 PDOP Reading: 1.6 Instrument Operator's Name: Ben Johnson

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 \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

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: 1795 ft

18. Distance to nearest property line: 3125 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1240 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.)
Wasatch	WSTC			

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: COC64814

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):  
 4S-96W, 6th P.M. Sec. 22, 23 & 24: ALL; Sec. 26: NW; Sec. 27: N2

25. Distance to Nearest Mineral Lease Line: 755 ft 26. Total Acres in Lease: 2425

**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 & 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	24	16	Line Pipe	0	140		140	
SURF	12+1/4	9+5/8	36#	0	3,941	910	3,990	1,568
1ST	7+7/8	4+1/2	11.6#	0	12,728	1,355	12,728	5,357

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

33. Comments Encana Oil & Gas (USA) Inc. owns surface. Encana would like to convert this well to an injection well. A sundry notice along with an injection application will also be filed. This is an existing location and no additional disturbance will occur.

34. Location ID: 335669

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: Julia M. Carter

Title: Regulatory Analyst Date: 2/14/2012 Email: Julia.Carter@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: 3/8/2012

**API NUMBER**  
 05 045 11293 00

Permit Number: \_\_\_\_\_ Expiration Date: 3/7/2014

**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) APPROVAL OF THIS FORM DOES NOT AUTHORIZE INJECTION. AUTHORIZATION TO INJECT REQUIRES APPROVAL OF FORM 31 AND FORM 33.

(4) BEFORE STIMULATING THE WELL, CAPTURE A WATER SAMPLE FROM MOLINA AND WASATCH 'G' FORMATIONS REQUESTED FOR INJECTION] AND ANALYZE FOR TOTAL DISSOLVED SOLIDS. SUBMIT LAB ANALYSIS TO DENISE.ONYSKIW@STATE.CO.US

IF OPERATOR DOES A STEP-RATE TEST, SEND THE RESULTS TO DENISE.ONYSKIW@STATE.CO.US SO A FRAC GRADIENT CAN BE CALCULATED. IF OPERATOR DOES AN INJECTIVITY TEST, THEY ARE LIMITED TO 10,000 BBLs OVER TEN DAYS.

**Attachment Check List**

Att Doc Num	Name
400251726	FORM 2 SUBMITTED
400251745	MINERAL LEASE MAP

Total Attach: 2 Files

**General Comments**

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Sundry, doc #2287458, for recompletion as inj. well approved. LGD passed;public comments waived. Final Comprehensive Review Status--passed.	3/7/2012 9:30:47 AM
Permit	added field name of Grand Valley; marked zone type as "one" and commingling as "NO". Deleted all obj. fms. except WSTC. Oper. advised forms 31 & 33 & 26 submitted.	2/21/2012 10:03:53 AM
LGD	Passed	2/16/2012 9:04:06 AM
Permit	Operator input 22b. This form has passed completeness.	2/15/2012 7:53:19 AM
Permit	Returned to draft. Missing 22b.	2/14/2012 1:25:00 PM

Total: 5 comment(s)

**BMP**

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

Total: 0 comment(s)