

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:

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Date Received:

02/29/2012

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 ☒

Refilling ☐Sidetrack ☐3. Name of Operator: ENCANA OIL & GAS (USA) INC4. COGCC Operator Number: 1001855. Address: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-56326. Contact Name: MIRACLE PFISTER Phone: (720)876-3761 Fax: (720)876-4861Email: miracle.pfister@encana.com7. Well Name: MCU FEE Well Number: 22-12C (N22W)8. Unit Name (if appl): MIDDLETON CREEK Unit Number: COC68897X9. Proposed Total Measured Depth: 9582

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 22 Twp: 7S Rng: 93W Meridian: 6Latitude: 39.425870 Longitude: -107.762007

Footage at Surface: 645 feet FNL/FSL 2088 feet FEL/FWL FWL

11. Field Name: MAMM CREEK Field Number: 5250012. Ground Elevation: 7026 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 05/18/2011 PDOP Reading: 0.0 Instrument Operator's Name: TED TAGGART15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1625 FSL 702 FWL FWL Bottom Hole: FNL/FSL 1625 FSL 702 FWL FWL
 Sec: 22 Twp: 7S Rng: 93W Sec: 22 Twp: 7S Rng: 702

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 2100 ft18. Distance to nearest property line: 473 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 310 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| ILES | ILES | | | |
| WILLIAMS FORK | WMFK | | | |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian23. 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):

T7S-R93W SEC 10: S2SW, N2SE, SESE SEC 11: SWNW, W2SW, SESW SEC 14: S2NE, E2W2, SE SEC 15: W2, SWSE, W2SE
SEC 16: E2NE SEC 22: NWNW, E2NW, N2SW

25. Distance to Nearest Mineral Lease Line: 702 ft 26. Total Acres in Lease: 1480

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 |
|-------------|--------------|----------------|----------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 24 | 16 | LINEPIPE | 0 | 40 | 5 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,438 | 444 | 1,438 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 9,582 | 776 | 9,582 | 0 |

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

33. Comments THE NEAREST DISTANCE IS TO A ABOVE GROUND UTILITY. TOP OF PRODUCTION CEMENT WILL BE 200' ABOVE MSVD. Surface owner is the BLM and a Sundry for Surface Occupancy is attached.

34. Location ID: 324286

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: MIRACLE PFISTER

Title: REGULATORY ANALYST Date: 2/29/2012 Email: miracle.pfister@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: 3/23/2012

API NUMBER

05 045 21453 00

Permit Number: _____ Expiration Date: 3/22/2014

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) NEW MAMM CREEK FIELD NOTICE TO OPERATORS APPLIES TO THIS WELL. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY – PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDER NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010) -- IS REQUIRED. SEE ATTACHED NOTICE.

5) CEMENT ON PRODUCTION CASING MUST BE A MINIMUM OF 200' ABOVE THE TOP OF THE MESA VERDE FORMATION (OR 200' ABOVE THE OHIO CREEK FORMATION IF PRESENT). CEMENT TOP VERIFY BY CBL IS REQUIRED. THIS REQUIREMENT SHALL SUPERSEDE THE TOP OF CEMENT REQUIREMENTS IN THE NEW MAMM CREEK FIELD NOTICE TO OPERATORS.

6) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400216503 | FORM 2 SUBMITTED |
| 400256532 | WELL LOCATION PLAT |
| 400256536 | DEVIATED DRILLING PLAN |
| 400256538 | SURFACE AGRMT/SURETY |
| 400256540 | DIRECTIONAL DATA |

Total Attach: 5 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | This APD was waiting on BLM ROW; attached. LGD passed/public comments waived. Final Comprehensive Review Status-passed. | 3/21/2012 11:09:16 AM |
| LGD | Passed | 3/19/2012 3:05:14 PM |
| Permit | ready to approve. 2A and other APD's on pad approved 2/29/2011. | 3/5/2012 9:06:34 AM |

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)