



02055497

Andrews, David

VERBAL APPROVAL TO RIG SKID FOR GARDNER

From: Andrews, David
Sent: Tuesday, May 15, 2012 3:46 PM
To: 'Reynolds, Scott D.'
Cc: Kerr, Thom; Ellsworth, Stuart; King, Kevin; Abell, Matt; Croteau, Jevin; Stanczyk, Jane; Westerdale, Barbara
Subject: RE: Parachute PC28 Pad Operations
Attachments: PC28 5 new coductors.pdf; PC28 pad data.doc; Statewide Lost Hole Rig Skid Approval Reporting_03-16-2012.pdf

28-23DD
 SAVED TO WELL FILE FOR GARDNER
 28-3B
 045-21193

Scott,

Thanks for the additional detail. I have discussed your proposed changes with my manager (Stuart Ellsworth) and our permitting supervisor (Jane Stanczyk). Consider this email your verbal approval to proceed, contingent upon the following

Submit forms related to the wellbore collision, as requested by Kevin King in an email dated 5/15/2012. The following is an excerpt from Kevin's email (italics), followed by my comments for each item in underlined brackets:

*Gardner 28-3D: This well will be plugged. We need a **Form 5 (Completion Report)** to document what was drilled as well as a **Form 6 (Subsequent Report of Abandonment)** to document the plugging. Along with the Form 6 please include as drilled GPS coordinates and cement tickets. On both forms please include brief comments to explain the unusual situation. A new APD will be needed for the replacement well to create a new well name and API #.*

[DDA: These forms should be submitted with the well name Gardner 28-3D (PC-28) and API Number 045-21188.]

Gardner 21-14: This well can still be drilled as planned from its planned surface location. No paperwork is needed unless the directional plan needs to be updated.

*Gardner 28-2A: This well will be drilled out of the 28-3B [original] surface location. A **Form 4 (Sundry Notice)** is needed to document the surface location change as well as the wellbore configuration changes (i.e. addition of the 7" string, hole size changes, and updated directional plan). This is the sundry notice that I would like the entire situation explained in full detail.*

[DDA: In the same Sundry Notice, also describe plugging of the original Gardner Federal 28-2A conductor pipe, which will no longer be used because of the SHL change to the original Gardner 28-3B conductor pipe, and provide the as-drilled GPS data for the original Gardner Federal 28-2A conductor pipe, to be plugged and abandoned.]

*Gardner 28-3B: This well will now be drilled out of the 28-2A surface location. A **Form 4 (Sundry Notice)** is needed to document the surface location change.*

[DDA: After Kevin's 5/15/2012 email, I understand that Encana changed plans and will no longer pursue a plan to drill the Gardner 28-3B well out of the original Gardner 28-2A conductor pipe. Instead, Encana intends to set a new conductor pipe for the Gardner 28-3B well, near the original Gardner 28-3B SHL. A **Form 4 (Sundry Notice)** will still be required for the SHL change to the new conductor location (closer to the original Gardner 28-3B SHL, rather than the original Gardner 28-2A SHL).]

Also as discussed, please include sundry notices with updated directional plans for any well on the pad that has been affected.

Please consider this email your verbal approval, from COGCC, to move forward with the plugging of the Gardner 28-3D

In addition to the forms requested above, please submit the following:

Gardner 28-2B: Submit a **Form 4 (Sundry Notice)** for the casing change (verbal approval last night, confirmed via email this morning) to set 9-5/8" csg shallow, followed by 7" csg to the original planned surface casing setting depth.

Gardner 28-23DD: New well resulting from a rig skid to a new conductor 16.5' west of the plugged and abandoned Gardner 28-3D well. This email acknowledges my verbal approval to proceed with the rig skid. A new **Form 2 (Application for Permit to Drill)** will be required in addition to the other submittals requested by Kevin King for the Gardner 28-3D plugging and abandonment (summarized above) and required by the attached Rig Skid guidance document. I understand that the Gardner 28-23DD BHL will be the same BHL that was originally planned for the Gardner 28-3D well and that BHL is not located in the Rulison Tier II zone.

Gardner 21-14C: Submit a **Form 4 (Sundry Notice)** that describes the plugging of the existing conductor pipe, the plan to set a new, deeper conductor pipe, the change of the SHL, the new directional survey to account for the new SHL, and as-drilled GPS data for the conductor that is plugged and abandoned.

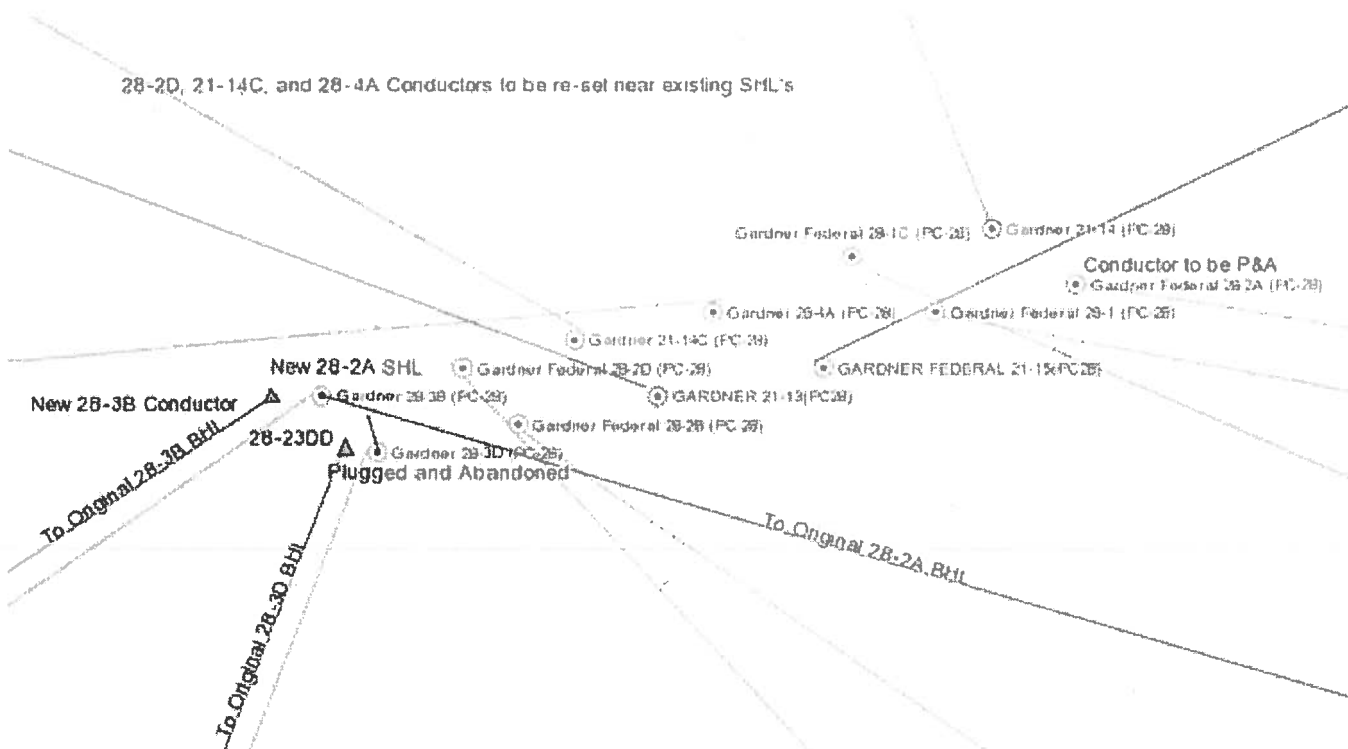
Gardner 28-4A: Submit a **Form 4 (Sundry Notice)** that describes the plugging of the existing conductor pipe, the plan to set a new, deeper conductor pipe, the change of the SHL, the new directional survey to account for the new SHL, and as-drilled GPS data for the conductor that is plugged and abandoned.

Gardner Federal 28-2D: Submit a **Form 4 (Sundry Notice)** that describes the plugging of the existing conductor pipe, the plan to set a new, deeper conductor pipe, the change of the SHL, the new directional survey to account for the new SHL, and as-drilled GPS data for the conductor that is plugged and abandoned.

Gardner 28-3B: Submit a **Form 4 (Sundry Notice)** that describes the change of the SHL and the new directional survey to account for the new SHL. I understand that the Gardner 28-3B BHL will be the same BHL that was originally planned for the Gardner 28-3B well and that BHL is not located in the Rulison Tier II zone.

Please coordinate submittal of the Sundry Notices with Kevin King and Barbara Westerdale in COGCC's Denver office. Also, notify Kevin and Barbara when hard copies of other forms (i.e., Form 2, Form 5 and Form 6) are mailed, or send them an email with Document Numbers if those forms are submitted electronically via eForm.

If everyone isn't thoroughly confused by now, the following diagram may or may not help!



Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

State of Colorado
Oil and Gas Conservation Commission

707 Wapiti Court, Suite 204
Rifle, Colorado 81650
Office Phone: (970) 625-2497 Ext. 1
Cell Phone: (970) 456-5262
Fax: (970) 625-5682
E-mail: David.Andrews@state.co.us
Website: <http://www.colorado.gov/cogcc>

From: Reynolds, Scott D. [mailto:Scott.Reynolds@encana.com]
Sent: Tuesday, May 15, 2012 9:49 AM
To: Andrews, David
Cc: Kerr, Thom; Ellsworth, Stuart; King, Kevin; Abell, Matt; Croteau, Jevin
Subject: RE: Parachute PC28 Pad Operations

Hi David,

Here is a description of our current well status for your internal discussion:

1. 5 of 10 wells have been spudded.
 - a. Four of those wells have surface casing set
 - b. The fifth well had the 9-5/8" surface casing set early due to the shallow fluid communication issue. We plan to drill it to surface casing point and run 7" casing as our surface casing.
2. 1 of 10 wells has been P&A'd at while drilling the surface hole.
 - a. This is well Gardner 28-3D
 - i. The well is Fee Surface and Fee Minerals
 - ii. The BHL is outside of the Rulison Tier II.
 - iii. We would like to set a new conductor for this well 16.5 feet west of the original conductor and drill the well to the original Gardner 28-3B BHL.
 - iv. The new well name would be Gardner 28-3DD
3. 4 of 10 wells have not been spudded.
 - a. Gardner 21-14C is Fee Surface and Fee Minerals and the BHL is outside of the Rulison Tier II.
 - b. Gardner 28-4A is Fee Surface and Fee Minerals and the BHL is outside of the Rulison Tier II.
 - c. Gardner 28-3B is Fee Surface and Fee Minerals and the BHL is outside of the Rulison Tier II.
 - d. Gardner Federal 28-2D is Fee Surface and Federal Minerals and the BHL is inside of the Rulison Tier II.
4. For the four wells that have not been spudded.
 - a. We would like to set four new conductors 8' north of the original conductors.
 - b. The reason for the move is that we would like to set the new conductors at least 100' below grade (122' MD-RKB) and pressure cement in place to mitigate the issue we are having with fluid communication below or current conductors, which are set at 62' MD-RKB
 - c. The old conductors will be filled with cement and covered.
 - d. All wells would be drilled to their permitted BHL's
5. We have verbal approval from the BLM (Bob Hartman to move the surface locations of the wells)
6. In the near term we need to submit sundries to:
 - a. Change the SHL of Gardner Federal 28-2A which was drilled from the wrong surface location. This well has surface casing set.
 - b. Change the casing program and hole size of Gardner Federal 28-2B. This is the well where we set 9-5/8" at ~105' MD-RKB to mitigate the fluid communication.
7. The pad itself, is outside the Rulison Tier II

Essentially, the only reason we want to move the four conductors is so we can set them deeper to eliminate the shallow losses/communication with adjacent conductors.

I hope this helps with your internal discussion.

Best regards,
Scott Reynolds
Drilling Engineer – South Piceance
Encana Oil & Gas (USA) Inc
O: 720.876.5255