FORM 2
Rev 12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109

Document Number: 400298270

Date Received:

PluggingBond SuretyID 20100017

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL
OIL [ ] GAS [X] COALBED [ ] OTHER _____
SINGLE ZONE [X] 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: Jevin Croteau Phone: (720)876-5339 Fax: (720)876-6339
Email: jevin.croteau@encana.com

7. Well Name: Ione Well Number: 1D-8H

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 11722

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 8 Twp: 2N Rng: 66W Meridian: 6
Latitude: 40.159220 Longitude: -104.796160

		FNL/FSL		FEL/FWL
Footage at Surface:	228 feet	FNL	1256 feet	FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4904 13. County: WELD

14. GPS Data:
Date of Measurement: 05/16/2012 PDOP Reading: 1.9 Instrument Operator's Name: J.R. McGehee

15. If well is [ ] Directional [X] Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone:	FNL/FSL	FEL/FWL	Bottom Hole:	FNL/FSL	FEL/FWL
664	FNL	1614 FEL	460	FSL	1600 FEL
Sec: 8	Twp: 2N	Rng: 66W	Sec: 8	Twp: 2N	Rng: 66W

16. Is location in a high density area? (Rule 603b)? [ ] Yes [X] No

17. Distance to the nearest building, public road, above ground utility or railroad: 1403 ft

18. Distance to nearest property line: 228 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 178 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.)
Niobrara	NBRR	407	320	E2

21. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian Lease #: _____

22. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian

23. Is the Surface Owner also the Mineral Owner? [X] Yes [ ] No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? [X] 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):

Mineral lease map attached.

25. Distance to Nearest Mineral Lease Line: 283 ft 26. Total Acres in Lease: 1880

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	22	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	40	0	800	198	800	0
1ST	8+3/4	7	26	0	7,568	926	7,568	500
2ND	6+1/8	4+1/2	13.5	0	11,722	367	11,722	7,268

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

33. Comments

34. Location ID:

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: Jevin Croteau

Title: Regulatory Analyst Date: Email: jevin.croteau@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

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
400298326	WELL LOCATION PLAT
400298327	DEVIATED DRILLING PLAN
400298328	30 DAY NOTICE LETTER
400299831	MINERAL LEASE MAP
400299833	TOPO MAP
400299834	SURFACE AGRMT/SURETY
400299836	EXCEPTION LOC REQUEST
400299839	OTHER
400299840	PROPOSED SPACING UNIT
400299841	DIRECTIONAL DATA

Total Attach: 10 Files

General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)

BMP

Type	Comment
Drilling/Completion Operations	Anti-collision BMP: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
Drilling/Completion Operations	Best Management Practice for a Horizontal Wellbore Fracturing Stimulation 1. At least seven (7) days prior to fracture stimulation, the operator is to notify all operators of non-operated wells within 300 feet of the wellbore to be fracture stimulated of the anticipated date stimulation date and the recommended best management practice to shut-in all wells within 300' of the stimulated wellbore completed in the same formation. 2. The operator will monitor the bradenhead pressure of all wells within 300 feet of the well to be fracture stimulated. 3. Bradenhead pressure gauges are to be installed 24 hours prior to stimulation. The gauges are to read at least once during every 24-hour period until 24-hours after stimulation is completed (post flowback). The gauges are to be of the type able to read current pressure and record the maximum encountered pressure in a 24-hour period. The gauge is to be reset between each 24-hour period. The pressures are to be recorded and saved. 4. If at any time during stimulation or the 24-hour post-stimulation period, the bradenhead annulus pressure of the treatment well or offset wells increases more than 200 psig, as per Rule 341, the operator of the well being stimulated shall verbally notify the Director as soon as practicable, but no later than twenty-four (24) hours following the incident. Within fifteen (15) days after the occurrence, the operator shall submit a Sundry Notice, Form 4, giving all details, including corrective actions taken.

Total: 2 comment(s)