

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:

400301976

Date Received:

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

PluggingBond SuretyID

20100017

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: Heather Mitchell Phone: (720)876-3070 Fax: (720)876-4070

Email: heather.mitchell@encana.com

7. Well Name: Latham DHS Well Number: 2C-13 O12 8100

8. Unit Name (if appl): McKay Fork Unit Unit Number: 75338X

9. Proposed Total Measured Depth: 12513

WELL LOCATION INFORMATION

10. QtrQtr: 4 Sec: 12 Twp: 8S Rng: 100W Meridian: 6

Latitude: 39.370681 Longitude: -108.492781

Footage at Surface: 1050 feet FNL/FSL FSL 484 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 6725 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/14/2012 PDOP Reading: 1.3 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 400 FSL 351 FEL 351 Bottom Hole: FNL/FSL 650 FSL 470 FEL 470
Sec: 12 Twp: 8S Rng: 100 Sec: 13 Twp: 8S Rng: 100
W W

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: 1260 ft

18. Distance to nearest property line: 269 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1327 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Mancos | MNCS | | | |

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):

FEE OGL (SHL OGL and part of wellbore path) - 8S-99W-Sec. 17: Resurvey Tract 47, Section 18: Tracts 46 and 47 T8S-R100W-Sec. 10: N/2SE, SESE Sec. 11: N/2S/2, SWSW Sec. 12: Lot 4, S/2SW Sec. 13: Lot 1, NENW COC 12750 (final BHL) - T8S-R99W-Sec. 18: Lots 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 24, E/2SW, S/2SE T8S-R100W-Sec. 11: SESW, S/2SE, Sec. 13: Lots 3, 4, SW Sec. 14: E/2W/2, E/2

25. Distance to Nearest Mineral Lease Line: 1975 ft 26. Total Acres in Lease: 1244

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 and 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 | 30 | 20 | Line pipe | 0 | 120 | 319 | 120 | 0 |
| SURF | 14+3/4 | 10+3/4 | 40.5 | 0 | 1,000 | 469 | 1,000 | 0 |
| 2ND | 9+7/8 | 7+5/8 | 26.4 | 0 | 6,225 | 720 | 6,225 | |
| 3RD | 6+3/4 | 4+1/2 | 12 | 0 | 12,513 | 565 | 12,513 | |

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

33. Comments Distance in #17 is to the nearest public road. This well is fee surface and fee/fed minerals. Conductor and surface casing will be run to surface. 2nd String will be cemented to 200' above top of Gas. 3rd string is tapered and is both 5 1/2 and 4 1/2. 3rd string will be cemented 200' into the 2nd string.

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: Heather Mitchell

Title: Regulatory Analyst Date: _____ Email: heather.mitchell@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 |
|-------------|------------------------|
| 400301983 | WELL LOCATION PLAT |
| 400301984 | DEVIATED DRILLING PLAN |
| 400301985 | DIRECTIONAL DATA |

Total Attach: 3 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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Total: 0 comment(s)