

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:

400308087

Date Received:

07/31/2012

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 ☒

Refiling ☐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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890Email: JENNIFER.LIND@ENCANA.COM7. Well Name: DOWDY Well Number: 4-2-10

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

9. Proposed Total Measured Depth: 7954

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 10 Twp: 2N Rng: 65W Meridian: 6Latitude: 40.157440 Longitude: -104.644520

Footage at Surface: 1114 feet FNL 1132 feet FEL
 FNL/FSL FEL/FWL

11. Field Name: WATTENBERG Field Number: 9075012. Ground Elevation: 4858 13. County: WELD

14. GPS Data:

Date of Measurement: 05/24/2012 PDOP Reading: 2.2 Instrument Operator's Name: RICE15. 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
1250 FNL 2585 FEL 1250 FNL 2585 FEL
 Sec: 10 Twp: 2N Rng: 65W Sec: 10 Twp: 2N Rng: 65W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1030 ft18. Distance to nearest property line: 173 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 411 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | | 160 | GWA |
| J SAND | JSND | | 160 | GWA |
| NIOBRARA | NBRR | | 160 | GWA |

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):

T2N-R65W-SEC.10: NE/4

25. Distance to Nearest Mineral Lease Line: 50 ft

26. Total Acres in Lease: 160

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 |
|-------------|--------------|----------------|------------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 900 | 370 | 900 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 7,954 | 180 | 7,954 | 6,885 |
| | | | Stage Tool | | 4,890 | 100 | 4,890 | 4,246 |

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

33. Comments ENCANA REQUESTS THE APPROVAL OF A RULE 318A(I).c.(1) EXCEPTION LOCATION AS THE PROPOSED WELL IS TO BE LOCATED GREATER THAN 50' FROM AN EXISTING WELL, REQUEST LETTER AND WAIVERS ATTACHED. ENCANA ALSO REQUESTS THE APPROVAL OF THE OMISSION OF OPEN HOLE LOGS, REQUEST LETTER ATTACHED. PROPOSED SPACING UNIT IS W/2NE & E/2NW OF SEC.10-T2N-R65W.

34. Location ID: 317881

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: JENNIFER LIND

Title: REGULATORY ANALYST

Date: 7/31/2012

Email: JENNIFER.LIND@ENCANA.C

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 8/30/2012

API NUMBER

05 123 36047 00

Permit Number: _____ Expiration Date: 8/29/2014

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)Provide notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with a cement bond log.

Operator must meet water well testing requirements per Rule 318A.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2481765 | SURFACE CASING CHECK |
| 400308087 | FORM 2 SUBMITTED |
| 400308873 | WELL LOCATION PLAT |
| 400308874 | EXCEPTION LOC REQUEST |
| 400308875 | EXCEPTION LOC WAIVERS |
| 400308947 | TOPO MAP |
| 400308949 | DEVIATED DRILLING PLAN |
| 400308950 | DIRECTIONAL DATA |
| 400308969 | OTHER |
| 400311031 | PROPOSED SPACING UNIT |
| 400311054 | SURFACE AGRMT/SURETY |
| 400311055 | MINERAL LEASE MAP |
| 400311063 | 30 DAY NOTICE LETTER |

Total Attach: 13 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 8/28/2012 9:17:43 AM |
| Permit | ok to pass. | 3/7/2012 1:50:36 PM |
| Permit | Reviewed and Approved Operator's request for omission of open hole logs. | 3/7/2012 1:49:30 PM |
| Permit | Operator requests approval of a Rule 318Ac exception location: Wellhead is to be located more than 50' from an existing well location. Request and waiver attached. | 3/7/2012 1:46:51 PM |

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)