

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:

400371307

Date Received:

01/17/2013

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

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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890

Email: JENNIFER.LIND@ENCANA.COM

7. Well Name: SG Well Number: 8505E-27 L27496

8. Unit Name (if appl): BIG JIMMY UNIT Unit Number: COC74105X

9. Proposed Total Measured Depth: 12426

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 27 Twp: 4S Rng: 96W Meridian: 6

Latitude: 39.671353 Longitude: -108.160183

Footage at Surface: 1927 feet FNL/FSL FSL 1112 feet FEL/FWL FWL

11. Field Name: GRAND VALLEY Field Number: 31290

12. Ground Elevation: 8106 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/31/2012 PDOP Reading: 1.4 Instrument Operator's Name: ROBERT KAY

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

Footage at Top of Prod Zone: FNL/FSL 2454 FNL 1344 FWL FWL Bottom Hole: FNL/FSL 2454 FNL 1344 FWL FWL  
Sec: 27 Twp: 4S Rng: 96W Sec: 27 Twp: 4S Rng: 96W

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: 16281 ft

18. Distance to nearest property line: 3751 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 264 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| WILLIAMS FORK          | WMFK           | 510-13                  |                               |                                      |

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: COC64814

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):

PLEASE SEE ATTACHED MAP

25. Distance to Nearest Mineral Lease Line: 214 ft 26. Total Acres in Lease: 2425

### 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   | 20           | 26             | LINE PIPE | 0             | 120           | 176       | 120     | 0       |
| SURF        | 12+1/4       | 9+5/8          | 36        | 0             | 2,500         | 782       | 2,500   | 0       |
| 1ST         | 7+7/8        | 4+1/2          | 11.6      | 0             | 12,426        | 1,328     | 12,426  | 7,191   |

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

33. Comments PLEASE NOTE THAT ENCANA OIL & GAS (USA) INC. IS THE SURFACE OWNER FOR THIS LOCATION. #17 IS CALCULATED FROM NEAREST BUILDING. SURFACE CASING HOLE SIZE WILL BE 14-3/4", 12-1/4" OR 13-1/2". CONDUCTOR CASING WILL BE CEMENTED TO SURFACE.

34. Location ID: 335939

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: 1/17/2013 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: 2/8/2013

**API NUMBER**  
05 045 21883 00

Permit Number: \_\_\_\_\_ Expiration Date: 2/7/2015

**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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS IS REQUIRED.

**Applicable Policies and Notices to Operators**

- Piceance Rulison Field - Notice to Operators.
- NW Colorado Notification Policy.
- Notice Concerning Operating Requirements for Wildlife Protection.

**Attachment Check List**

| Att Doc Num | Name                   |
|-------------|------------------------|
| 400371307   | FORM 2 SUBMITTED       |
| 400371310   | TOPO MAP               |
| 400371311   | MINERAL LEASE MAP      |
| 400371313   | DEVIATED DRILLING PLAN |
| 400371314   | WELL LOCATION PLAT     |
| 400371315   | FED. DRILLING PERMIT   |
| 400371316   | DIRECTIONAL DATA       |

Total Attach: 7 Files

**General Comments**

| <b><u>User Group</u></b> | <b><u>Comment</u></b>  | <b><u>Comment Date</u></b> |
|--------------------------|--|----------------------------|
| Permit                   | OK on approval of 2A. Added spacing order #. Approved 2/7/13.  | 1/31/2013<br>7:31:53 AM    |
| Engineer                 | THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP. | 1/29/2013<br>5:41:14 PM    |
| LGD                      | Passed DB  | 1/22/2013<br>10:08:10 AM   |
| Permit                   | Form has passed completeness.  | 1/18/2013<br>2:08:51 PM    |

Total: 4 comment(s)

**BMP**

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

Total: 0 comment(s)