

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:

400394768

Date Received:

03/22/2013

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

20100017

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: Bonnie Lamond Phone: (720)876-5156 Fax: (720)876-6177Email: bonnie.lamond@encana.com7. Well Name: MCU Well Number: 21-5B (M16W)8. Unit Name (if appl): Middleton Creek Unit Number: COC68997X9. Proposed Total Measured Depth: 11292

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 16 Twp: 7S Rng: 93W Meridian: 6Latitude: 39.439882 Longitude: -107.783189Footage at Surface: 549 feet FNL/FSL 1296 feet FEL/FWL FWL11. Field Name: Mamm Creek Field Number: 5250012. Ground Elevation: 7888 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/04/2013 PDOP Reading: 0.0 Instrument Operator's Name: Ted T. Taggart15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 1343 FNL 641 FWL FWL Bottom Hole: FNL/FSL 1343 FNL 641 FWL FWL
Sec: 21 Twp: 7S Rng: 93W Sec: 21 Twp: 7S Rng: 93W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 815 ft18. Distance to nearest property line: 549 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 270 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.)
Iles	ILES			
Williams Fork	WMFK	191-83		

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC6112122. 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):

T7S - R93W Sec. 21: N2, N2S2, N2SW Sec. 28: NWNW, S2NW, S2

25. Distance to Nearest Mineral Lease Line: 641 ft 26. Total Acres in Lease: 1000

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	24	16	.25" wall	0	60	80	60	0
SURF	12+1/4	9+5/8	36	0	1,225	450	1,225	0
1ST	7+7/8	4+1/2	11.6	0	11,292	1,053	11,292	

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

33. Comments A sundry was submitted for the subject well to request permission to change well name, bottom hole location, and drilling programs on 3/12/13. The former well name was MCU 21-5A (M16W). An updated well location plat and revised directional survey is included, all other attachments will remain the same. Will be a tapered hole. Surface casing will go from 0-200' with a hole size of 14-3/4" and casing size of 9-5/8". Surface casing will continue from 200'- 1225' with a hole size of 12-1/4" and casing size of 9-5/8" Surface cement volume will change from 396 sx to 450 sx. Production casing will run from 0-8212' with hole size of 8-3/4" and casing size of 4-1/2". And continue on from 8212'- 11292' with a hole size of 7-7/8" and casing size of 4-1/2", thus decreasing the TD from 11650' to 11292' Production cement will increase from 956 to 1053 sx

34. Location ID: 422418

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: Bonnie Lamond

Title: Permitting Technician Date: 3/22/2013 Email: bonnie.lamond@encana.com

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: 4/26/2013

API NUMBER

05 045 20595 00

Permit Number: _____ Expiration Date: 4/25/2015

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.

(3) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE MAMM CREEK FIELD NOTICE TO OPERATORS IS REQUIRED.

(4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY IS REQUIRED. (PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDERS NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010)). SEE ATTACHED NOTICE.

Applicable Policies and Notices to Operators

Mamm Creek Field Area Notice to Operators.
Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field).
Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400394768	FORM 2 SUBMITTED
400394776	DIRECTIONAL DATA
400394778	DEVIATED DRILLING PLAN
400394779	WELL LOCATION PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
LGD	Passed DB	4/12/2013 11:39:22 AM
Permit	OK.	3/26/2013 3:46:08 PM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.	3/26/2013 10:57:35 AM
Permit	Operator agreed to withdraw related sundry #2166131. This form has passed completeness.	3/25/2013 7:44:52 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>