

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

400405273

Date Received:

04/26/2013

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) INC

4. COGCC Operator Number: 100185

5. Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-5632

6. Contact Name: Erin Hochstetler Phone: (720)876-5827 Fax: ()

Email: erin.hochstetler@encana.com

7. Well Name: Rodman Bruntz Well Number: 2E-26H

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

9. Proposed Total Measured Depth: 14491

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 26 Twp: 2N Rng: 66W Meridian: 6

Latitude: 40.114900 Longitude: -104.746590

Footage at Surface: 572 feet FNL 2077 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5098 13. County: WELD

14. GPS Data:

Date of Measurement: 09/28/2012 PDOP Reading: 2.0 Instrument Operator's Name: RICE

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

Footage at Top of Prod Zone: 741 FNL 2628 FWL 2130 FNL 2550 FWL
Sec: 26 Twp: 2N Rng: 66W Sec: 35 Twp: 2N Rng: 66W

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: 340 ft

18. Distance to nearest property line: 146 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 524 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		480	GWA

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#: 20090011

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, R66W, Sec. 26: NW/4

25. Distance to Nearest Mineral Lease Line: 0 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
CONDUCTOR	22	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	40	0	1,114	140	1,114	0
1ST	8+3/4	7	26	0	7,837	444	7,837	814
2ND	6+1/8	4+1/2	13.5	0	14,491	265	14,491	7,537

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

33. Comments Encana requests the approval of a 603.a(2) exception location as the well head is to be located closer than 150' to a property line. Request letter and waivers attached. Encana also requests the approval of the omission of open hole logs, request letter attached. Proposed spacing unit is E/2W/2 & W/2E/2 of Sec.26 and E/2NW/4 & W/2NE/4 of Sec. 35, T2N-R66W. Horizontal wellbore crosses lease line within GWA spacing unit. Location is being filed under bond with the intent to sign an SUA prior to drilling. The distance to nearest well permitted/completed in the same formation (BHL) was measured from the Badding 10-26, API #: 05-123-29222.

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: Erin Hochstetler

Title: Permitting Technician Date: 4/26/2013 Email: erin.hochstetler@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: 7/26/2013

API NUMBER

05 123 37759 00

Permit Number: _____ Expiration Date: 7/25/2015

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

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

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
2114204	MINERAL LEASE MAP
2482380	SURFACE CASING CHECK
400405273	FORM 2 SUBMITTED
400405336	DEVIATED DRILLING PLAN
400405338	WELL LOCATION PLAT
400405340	DIRECTIONAL DATA
400409623	OFFSET WELL EVALUATION
400409624	30 DAY NOTICE LETTER
400409625	PROPOSED SPACING UNIT
400409626	EXCEPTION LOC REQUEST
400409627	EXCEPTION LOC WAIVERS
400410254	OTHER

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Lease Map not properly labeled. Attached corrected map. Lease is T2N,R66W: Sec 26: NW/4, Acres in lease =160. Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is greater than 460'. Corrected nearest well completed in the same formation, Olive 23-26, to 524'. Operator concurred. Ready to pass.	5/13/2013 10:32:15 AM
Engineer	Evaluated offset wells for adequate cement coverage.	5/1/2013 3:34:14 PM
Permit	This form has passed completeness.	4/29/2013 8:37:03 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Encana will comply with the "COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area", dated May 29, 2012.
Drilling/Completion Operations	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.

Total: 2 comment(s)