

**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: Bonnie Lamond Phone: (720)876-5156 Fax: ()  
Email: bonnie.lamond@encana.com

7. Well Name: HWY 52 Well Number: 4G-32H-O268

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

9. Proposed Total Measured Depth: 12640

**WELL LOCATION INFORMATION**

10. QtrQtr: SWSE Sec: 32 Twp: 2N Rng: 68W Meridian: 6  
Latitude: 40.089350 Longitude: -105.024960

Footage at Surface: 595 feet FSL 2033 feet FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4989 13. County: WELD

14. GPS Data:  
Date of Measurement: 05/22/2013 PDOP Reading: 1.8 Instrument Operator's Name: John Rice

15. 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  
182 FNL 496 FEL 460 FSL 475 FEL  
Sec: 5 Twp: 1N Rng: 68W Sec: 5 Twp: 1N Rng: 68W

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: 615 ft  
18. Distance to nearest property line: 410 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 167 ft

**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		200	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#: \_\_\_\_\_  
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 R68W Sec. 32: S/2SE/4 and other lands. Horizontal Wellbore crosses lease lines within drilling and spacing unit; distance to unit boundary is at least 460'.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 240

### 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	
SURF	12+1/4	9+5/8	40	0	800	100	800	
1ST	8+3/4	7	26	0	7940	450	7940	500
2ND	6+1/8	4+1/2	13.5	0	12640	191	12640	7640

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

33. Comments Encana Oil & Gas (USA) Inc. requests the approval of a 318A.c(1) exception location as the well head is to be further than 50' from an existing well. Request letter and waiver attached. Encana Oil & Gas (USA) Inc. also requests the approval of the omission of open hole logs, request letter attached. Proposed unit configuration is SE/4SE/4 Section 32, E/2E/2 Section 5

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: Bonnie Lamond

Title: Permitting Analyst Date: 7/26/2013 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: 10/6/2013

Permit Number: \_\_\_\_\_ Expiration Date: 10/5/2015

<b>API NUMBER</b>
05 123 38248 00

**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.**

**Description**

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

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU..
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

**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**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
400446368	FORM 2 SUBMITTED
400454395	WELL LOCATION PLAT
400454396	MINERAL LEASE MAP
400454397	EXCEPTION LOC WAIVERS
400454401	DEVIATED DRILLING PLAN
400454402	OTHER
400454403	EXCEPTION LOC REQUEST
400454404	PROPOSED SPACING UNIT
400454405	30 DAY NOTICE LETTER
400454406	OFFSET WELL EVALUATION
400454407	DIRECTIONAL DATA

Total Attach: 11 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	10/3/2013 9:55:20 AM
Permit	ok to pass.	8/23/2013 11:46:20 AM
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.	8/23/2013 11:46:19 AM
Permit	Operator's request for omission of open hole logs.	8/23/2013 11:46:18 AM
Permit	Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 460'.	8/23/2013 11:46:17 AM
Permit	Per the request of the Weld Cty LGD the Public Comment period has been extended 10 days to 8/28/2013.	8/19/2013 1:12:13 PM
LGD	Mineral owner David Yardley (970) 669-3358 has asked the Weld LGD to request an extension of the permit comment period so that he can submit a protest to the COGCC regarding the producing zone locations for this and the other HWY 52 wells.	8/13/2013 3:15:16 PM
Permit	Passes Completion.	7/29/2013 3:40:57 PM

Total: 8 comment(s)

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	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.
2	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 well path 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)