

FORM

2

Rev
08/13

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:

400503143

APPLICATION FOR PERMIT TO:

☐ Drill
 ☐ Deepen
 ☒ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER Re-PlugRefiling ☐

Date Received:

11/12/2013

ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐Well Name: DreyerWell Number: 1Name of Operator: ENCANA OIL & GAS (USA) INCCOGCC Operator Number: 100185Address: 370 17TH ST STE 1700City: DENVERState: COZip: 80202-5632Contact Name: Bonnie LamondPhone: (720)876-5156Fax: ()Email: bonnie.lamond@encana.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100017

WELL LOCATION INFORMATION

QtrQtr: NWSE Sec: 31 Twp: 1N Rng: 65W Meridian: 6Latitude: 40.006029Longitude: -104.704426
 Footage at Surface: 1980 feet FNL/FSL 1980 feet FEL/FWL FEL
Field Name: WATTENBERGField Number: 90750Ground Elevation: 5026County: WELD

GPS Data:

Date of Measurement: 10/04/1975 PDOP Reading: 0.0 Instrument Operator's Name: Barry HallowayIf 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
 Sec: Twp: Rng: Sec: Twp: Rng:

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Surface Owner is: ☒ is the mineral owner beneath the location.

(check all that apply)

☐ is committed to an Oil and Gas Lease.☐ has signed the Oil and Gas Lease.☐ is the applicant.The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Minerals beneath this Oil and Gas Location will be developed by this Well: The right to construct the Oil and Gas Location is granted by: Surface Use AgreementSurface damage assurance if no agreement is in place: Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

Total Acres in Described Lease: 80 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian
Federal or State Lease # _____
Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 660 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 66 Feet
Building Unit: 66 Feet
High Occupancy Building Unit: 5070 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1926 Feet
Above Ground Utility: 590 Feet
Railroad: 580 Feet
Property Line: 10 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☒ Buffer Zone
☒ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 533 Feet
Distance from Completed Portion of Wellbore to Nearest Unit Boundary _____ Feet (Enter 5280 for distance greater than 1 mile.)
Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
J SAND	JSND		80	N2SE

DRILLING PROGRAM

Proposed Total Measured Depth: 8000 Feet
Distance to nearest permitted or existing wellbore penetrating objective formation: 533 Feet (Including plugged wells)
Will a closed-loop drilling system be used? _____
Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? _____ (If Yes, attach an H₂S Drilling Operations Plan)
Will salt sections be encountered during drilling? _____

Will salt based (>15,000 ppm Cl) drilling fluids be used? _____

Will oil based drilling fluids be used? _____

BOP Equipment Type: ☐ Annular Preventor ☐ Double Ram ☐ Rotating Head ☐ None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule _____ N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Methods: _____

Cuttings Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description: _____

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

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	199	200		
1ST	7+5/8	4+1/2	11.6	0	8053	250		

☒ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☒ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318A.a. Exception Location (GWA Windows).
- ☐ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☒ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____ 305.c

OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- ☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

The purpose of re-entry is to adequately re-plug the subject well. The subject well is 533 feet off from the proposed Lochbouie 2H-31H well, document #400435947. The as-built coordinates for this well have changed from the COGCC Scout Card - the actual coordinates are: 40.00591155 / -104.7040567. As-built GPS well location data will be submitted on the Form 6 Well Abandonment Report after plugging is completed.

Procedure is as follows:

1. MIRU pulling unit. NU BOP.
2. Drill out surface cement plug, J sand cement plug and circulate out sand across J sand zone.
3. RIH and set CIBP #1 @ 7884' (50' above top perforation). Ensure that CIBP is set in the middle of the joint of casing.
4. Dump bail 4 sxs of Class G Neat cement on top of CIBP (50' of cement).
5. RIH and set CIBP #2 @ 1295' (50' below DV tool). Ensure that CIBP is set in the middle of the joint of casing.
6. Dump bail 4 sxs of Class G Neat cement on top of CIBP (50' of cement).
7. RIH and set CIBP #3 @ 250' (50' below surface shoe). Ensure that CIBP is set in the middle of the joint of casing.
8. RIH with wireline and shoot four squeeze holes at 240'. POOH and ensure all shots were fired.
9. Establish injection through squeeze holes.
10. Pump 85 sxs of Class G Neat cement (15% excess) down 4.5" casing while taking returns up 8-5/8" x 4-1/2" annulus.
11. WOC
12. Top off casing and annulus with cement as necessary.
13. ND BOP, RDMO pulling unit.
14. Cut off casing 4' below ground level.
15. Weld on metal plate and dry hole marker.
16. Restore surface location.
17. Ensure all cement tickets are mailed or emailed to the Denver office for subsequent reporting.

Encana Oil & Gas (USA) Inc. requests a Rule 502.b Variance from Rule 305.c to approve the Re-Entry Form 2 without the 20-day comment period.

A new Form 2A will not be required since the location will not be enlarged beyond the original disturbance.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 406465

Is this application being submitted with an Oil and Gas Location Assessment application? 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: 11/12/2013 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:  Director of COGCC Date: 11/18/2013

Expiration Date: 11/17/2015

API NUMBER

05 123 08551 00

Conditions Of Approval

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.

COA Type

Description

	1) Provide 24 hour notice of MIRU to Randell Johnson at 303-655-7472 or e-mail at randell.johnson@state.co.us. 2) Leave at least 100' cement in the wellbore for each plug. 3) For 240' plug: pump plug and displace, shut-in, WOC 4 hours and tag plug – must be 140' or shallower.
	Reported as-drilled GPS data is inaccurate. Submit as-drilled GPS data on Subsequent Report of Abandonment. GPS data must meet the requirements of Rule 215.

Best Management Practices

No BMP/COA Type

Description

--	--	--

Data retrieval failed for the subreport 'IntPolicy_NTC' located at: \\DorDorSterling\Forms\Reports\policy_ntc.rdl. Please

Attachment Check List

Att Doc Num

Name

2114378	WAIVERS
400503143	FORM 2 SUBMITTED
400511198	WELLBORE DIAGRAM
400511227	WELLBORE DIAGRAM
400511256	SURFACE AGRMT/SURETY
400511649	EXCEPTION LOC REQUEST
400511650	VARIANCE REQUEST
400512132	PROPOSED PLUGGING PROCEDURE

Total Attach: 8 Files

General Comments

User Group

Comment

Comment Date

Permit	502b variance approved by Director. Ready to pass.	11/18/2013 11:57:12 AM
Permit	Received and attached email from LGD confirming no opposition to waiver of comment period.	11/13/2013 3:51:26 PM
Permit	Distance to building cannot be greater than distance to building unit. Made the correction. Corrected distance to public road. Operator agrees. Requested comment period waiver from LGD.	11/13/2013 1:57:18 PM

Total: 3 comment(s)