

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:  
400675618  
**(SUBMITTED)**

APPLICATION FOR PERMIT TO:

- Drill  Deepen  Re-enter  Recomplete and Operate

Date Received:

TYPE OF WELL OIL  GAS  COALBED  OTHER \_\_\_\_\_ Refilling   
ZONE TYPE SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES  Sidetrack

Well Name: Sullivan Well Number: 4C-26H-P268  
Name of Operator: ENCANA OIL & GAS (USA) INC COGCC Operator Number: 100185  
Address: 370 17TH ST STE 1700  
City: DENVER State: CO Zip: 80202-5632  
Contact Name: Toby Sachen Phone: (720)876-5845 Fax: (720)876-6584  
Email: toby.sachen@encana.com

RECLAMATION FINANCIAL ASSURANCE  
Plugging and Abandonment Bond Surety ID: 20100017

WELL LOCATION INFORMATION  
QtrQtr: SESE Sec: 26 Twp: 2N Rng: 68W Meridian: 6  
Latitude: 40.103840 Longitude: -104.962932  
Footage at Surface: 567 feet FNL/FSL FSL 549 feet FEL/FWL FEL  
Field Name: WATTENBERG Field Number: 90750  
Ground Elevation: 4964 County: WELD  
GPS Data:  
Date of Measurement: 07/07/2014 PDOP Reading: 1.5 Instrument Operator's Name: Ryan Christi  
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  
620 FSL 2046 FEL 2160 FSL 2050 FEL  
Sec: 26 Twp: 2N Rng: 68W Sec: 23 Twp: 2N Rng: 68W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT  
Surface Ownership:  Fee  State  Federal  Indian  
The 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  Indian  
The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes  
The right to construct the Oil and Gas Location is granted by: Surface Use Agreement  
Surface 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.)

T2NR68W: Sec. 26: SWNW, E2NW, W2NE, SENE, W2NWSE, SESE, E2NESE, SW; Sec. 27: S2SENE, SE

Total Acres in Described Lease: 660 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: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 622 Feet  
Building Unit: 706 Feet  
High Occupancy Building Unit: 3009 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 530 Feet  
Above Ground Utility: 480 Feet  
Railroad: 5280 Feet  
Property Line: 263 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: 08/20/2014

## SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 120 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 485 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

T2N R68W: E/2 SEC 26; SE/4 SEC 23

## OBJECTIVE FORMATIONS

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

## DRILLING PROGRAM

Proposed Total Measured Depth: 14784 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 36 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than \_\_\_\_\_

or equal to 100 ppm? No (If Yes, attach an H2S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

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 318A

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

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
CONDUCTOR	30	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	40	0	800	225	800	0
1ST	8+3/4	7	26	0	7916	526	7916	500
2ND	6+1/8	4+1/2	13.5	0	14784	404	14784	7616

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

## 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

Nearest well completed in the same formation is Sullivan 33-26. Nearest well penetrating the formation is the Sullivan 44-26.  
Encana respectfully requests a waiver to Rule 318A.n to drill within 150 feet of the well(s) listed in the Anti-Collision Waiver.

Memo of 2nd amendment to SUA details the original CDSUA agreement dates. This 2nd Amendment is what allows Encana the capabilities and rights to drill these Horizontal Wells, the original CDSUA doesn't provide for enough room, which is it had to be amended.

Encana requests an exception to Rule 317.p, the Open Hole Logging Rule. Request letter attached.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: \_\_\_\_\_

Is this application being submitted with an Oil and Gas Location Assessment application? \_\_\_\_\_ Yes \_\_\_\_\_

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: Toby Sachen \_\_\_\_\_

Title: Regulatory Analyst \_\_\_\_\_ Date: \_\_\_\_\_ Email: toby.sachen@encana.com \_\_\_\_\_

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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

## 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.

## Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Closed-top tanks will utilize backpressure systems that exert a minimum of four (4) ounces of backpressure and a maximum that does not exceed the pressure rating of the tank to facilitate gathering and combustion of tank.
2	Drilling/Completion Operations	Adequate blowout prevention equipment will be used on all well servicing operations.
3	Drilling/Completion Operations	Backup stabbing valves shall be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.
4	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.
5	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.
6	Drilling/Completion Operations	Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections will be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results will be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.

Total: 6 comment(s)

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400677298	WELL LOCATION PLAT
400695132	DEVIATED DRILLING PLAN
400695134	DIRECTIONAL DATA
400705598	PROPOSED SPACING UNIT
400709991	SURFACE AGRMT/SURETY
400710021	OPEN HOLE LOGGING EXCEPTION
400714895	ANTI-COLLISION WAIVER
400724171	OffsetWellEvaluations Data

Total Attach: 8 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)