

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:

400875901

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate

Date Received:

09/16/2015

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____Refilling ☒ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: HWY 52

Well Number: 4H-32H-O368

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: ()

Email: toby.sachen@encana.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100017

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 32 Twp: 2N Rng: 68W Meridian: 6

Latitude: 40.089355

Longitude: -105.024964

Footage at Surface: 598 feet FNL/FSL FSL 2034 feet FEL/FWL FEL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4992

County: WELD

GPS Data:

Date of Measurement: 06/05/2014 PDOP Reading: 1.9 Instrument Operator's Name: Chris Bettencourt

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL FSL 113 FSL 190 FEL 460 FSL 125 FEL
 Sec: 32 Twp: 2N Rng: 68W Sec: 5 Twp: 1N Rng: 68W

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 ☐ 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: oil and gas lease

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.)

T2N R68W Sec. 32: S/2SE/4; T1N R68W Sec 5: NE/4

Total Acres in Described Lease: 240 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: 536 Feet
Building Unit: 641 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 658 Feet
Above Ground Utility: 618 Feet
Railroad: 5280 Feet
Property Line: 409 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: 127 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

T1N R68W:, SE/4SE/4 Section 32, SW/4SW/4 Section 33; T1N R68W: E/2E/2 Section 5. W/2W/2 Section 4
Weld County, Colorado

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL		400	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 13294 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 127 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S 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:

McDonald Farms, Facility ID 431609 and Bella 18, Facility ID 431606 will be used.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 431609 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	22	16	30	0	80	80	80	0
SURF	12+1/4	9+5/8	36	0	800	100	800	0
1ST	8+3/4	7	26	0	8294	472	8294	500
2ND	6+1/8	4+1/2	13.5	0	13294	202	13294	7994

☐ 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

The pad has been built and conductor casing has been set. There will be no additional surface disturbance. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).

I certify that there have been no changes to land use, lease description or the well construction plan. A new plat showing TPZ is attached.

Wells within 150' of the lateral portion: Ray Nelson 8-8-32, 123-30728, operated by Encana.

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

Location ID: 434554

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: Toby Sachen

Title: Regulatory Analyst Date: 9/16/2015 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

05 123 38269 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

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Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with Open Hole Resistivity Log and Gamma Ray Log from the kick-off point to into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured-while-drilling gamma-ray log. The form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 1 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400900968	WELL LOCATION PLAT
400903523	EXCEPTION LOC REQUEST

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Public	<p>I firmly believe the State of Colorado and the fracking industry have violated our Inalienable Rights, acted in an arbitrary and capricious manner, acted in abuse of discretion, have not offered citizens equal protection, violated the Clean Air Act, Colorado Air Pollution Prevention and Control Act, Oil and Gas Conservation Act, Breach of Fiduciary Duty, have allowed the cause of irreparable harm, threatened our fundamental rights to life, liberty and property.</p> <p>This specific permit warrants further investigation into whether the operator can successfully and fully operate in a manner consistent with the protection of public health safety and welfare.</p> <p>Colorado citizens need to be able to protect themselves, their families, their environment, the values of their homes and exercise their civil rights to safety, but they cannot, and are in fact prohibited by the state and fracking industry from doing so.</p> <p>Also, there is a compendium of health studies that show mining using hydraulic fracturing, is not safe and cannot be conducted in a manner consistent with public health, safety and welfare. See: http://concernedhealthny.org/compendium/</p> <p>The associated risks of the fracking industry are too great, and a precautionary principle must be addressed before any operations take place. I recommend that this permit be denied immediately.</p>	10/5/2015 1:10:00 PM
Permit	Pass completeness	9/23/2015 7:51:12 AM
Permit	Return to draft per operator request.	9/22/2015 1:42:55 PM
Permit	Returned to draft Casing tab is not complete. Exception Location Request rule 604.b.(1)A attachment required.	9/17/2015 9:48:57 AM

Total: 4 comment(s)