

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:

400875908

(RE-SUBMITTED)

Date Received:

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____

Refilling ☒

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: HWY 52

Well Number: 4I-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: -105.025000

Footage at Surface: 598 feet FNL/FSL FSL 2044 feet FEL/FWL FEL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4992

County: WELD

GPS Data:

Date of Measurement: 05/14/2014 PDOP Reading: 1.9 Instrument Operator's Name: Jason Dahlman

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

Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FNL/FWL
192 FNL 610 FEL 460 FNL 590 FEL

Sec: 5 Twp: 1N Rng: 68W Sec: 32 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: 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: 528 Feet
Building Unit: 633 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: 417 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: 82 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

T2N R68W: SE/4SE/4 Sec.32 ; T1N, R68W: E2E2 Sec 5
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.)
NIOBRARA	NBRR		200	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 13014 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 55 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	8274	470	8274	500
2ND	6+1/8	4+1/2	13.5	0	13014	193	13014	7974

☐ 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. Drilling the proposed wells will not require any pad expansion or additional surface disturbance. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii) and consultation with CDPHE.

I certify that there have been no changes to land use or lease description. The well construction plan has changed.

A Designated Setback Location Exception to Rule 604.b.(1)A. is being requested. Request letter is attached.

Nearest well completed in same formation is Foster 43-5, 123-29818.

Nearest well penetrating the formation is Ray Nelson 34-32, 123-30611.

Wells within 150' of the treated portion of the well: Brown 41-5, 123-30609 and Foster 43-5, 123-29818, operated by Encana.

Wells within 150' of the non-treated portion of the well: Ray Nelson 34-32, 123-30611, 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: _____ 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 38249 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.

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 cased-hole pulsed neutron log with gamma ray log from TD 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 shall clearly state "No open-hole logs were run" and shall reference the Rule 317.p Exception granted for the well.

Total: 1 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400918611	FORM 2 SUBMITTED
400918612	FORM 2 REJECTED
400921049	PROPOSED SPACING UNIT
400921052	WELL LOCATION PLAT
400922759	EXCEPTION LOC REQUEST
400925916	EXCEPTION LOC REQUEST
400925917	EXCEPTION LOC WAIVERS
400930235	DIRECTIONAL DATA
400930236	DEVIATED DRILLING PLAN
400932012	OffsetWellEvaluations Data
400932016	OffsetWellEvaluations Data
400932017	OffsetWellEvaluations Data
400932020	OffsetWellEvaluations Data
400932025	OffsetWellEvaluations Data

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit (Rejected)	REJECTION COMMENT: This APD is being rejected per the operator's request. The Operator and COGCC staff have been consulted.	10/15/2015 1:34:59 PM
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 1:15:49 PM
Permit	Pass completeness	9/23/2015 7:52:12 AM
Permit	Return to draft Exception Location Request rule 604.b.(1)A attachment required.	9/18/2015 10:34:14 AM

Total: 4 comment(s)