

FORM  
2  
Rev  
08/16

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:  
401174640

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
12/29/2016

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

Refiling   
Sidetrack

Well Name: Federal      Well Number: 5-8B (H5SE)  
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: Jason Eckman      Phone: (970)285-2656      Fax: ( )  
Email: jason.eckman@encana.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

WELL LOCATION INFORMATION

QtrQtr: SENE      Sec: 5      Twp: 8S      Rng: 92W      Meridian: 6  
Latitude: 39.392135      Longitude: -107.684402

Footage at Surface: 1394 Feet      FNL/FSL      FNL 1040 Feet      FEL/FWL      FEL

Field Name: MAMM CREEK      Field Number: 52500

Ground Elevation: 6903      County: GARFIELD

GPS Data:  
Date of Measurement: 10/18/2016    PDOP Reading: 2.6    Instrument Operator's Name: Brian Taggart

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  
1560    FNL    890    FEL      1560    FNL    890    FEL  
Sec: 5    Twp: 8S    Rng: 92W      Sec: 5    Twp: 8S    Rng: 92W

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.)

Lot 1 & 2 & S2NE4, SE4NW4, E2SW4 & SE4 of Section 5 T8S, R 92W  
NE4, SE4, E2SW4 & E2NW4 of Section 8, T8S, R92W

Total Acres in Described Lease: 907 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC 69612

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 890 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet  
 Building Unit: 5280 Feet  
 High Occupancy Building Unit: 5280 Feet  
 Designated Outside Activity Area: 5280 Feet  
 Public Road: 5280 Feet  
 Above Ground Utility: 5280 Feet  
 Railroad: 5280 Feet  
 Property Line: 3826 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 1900 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1820 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Encore East Unit Number: 78130X

**SPACING & FORMATIONS COMMENTS**

Encore East is a Federal Unit

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK-ILES	WFILS			

## DRILLING PROGRAM

Proposed Total Measured Depth: 10269 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: \_\_\_\_\_ Feet  No well belonging to another operator within 1,500 feet

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 H<sub>2</sub>S 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 609

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

Drilling Fluids Disposal: OFFSITE  
Other Disposal Description: Drilling Fluids Disposal Method - Recycled and reused offsite.  
Cuttings Disposal Method - Onsite in cuttings management area (as shown on Construction Layout Drawings).

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	24+0/0	16	42	0	60	181	60	0
SURF	12+1/4	9+5/8	36	0	1325	463	1325	0
1ST	8+1/2	7	26	0	9144	669	9144	1729
OPEN HOLE	6+1/8			9144	10269	0		

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

This application is in a Comprehensive Drilling Plan No CDP #: \_\_\_\_\_

Location ID: 324249

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: Jason Eckman

Title: Sr. Regulatory Analyst Date: 12/29/2016 Email: jason.eckman@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: 4/5/2017

Expiration Date: 04/04/2019

**API NUMBER**  
05 045 23501 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.

<u>COA Type</u>	<u>Description</u>
	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016, revised October 6, 2016).
	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017)
	<p>1)Operator shall comply with the most current revision of the Northwest Notification Policy.</p> <p>2)Operator shall comply with the most current revision of the Mamm Creek Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1). Operator shall submit the primary cement job Cement Bond Log (CBL) with either the Form 4 Sundry Notice - Request to Complete or the Form 5 Drilling Completion Report.</p> <p>3)Operator shall comply with the most current revision of the Mamm Creek Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1).</p> <p>4)Operator shall comply with the Notice to Operators Drilling Wells in the Buzzard, Mamm Creek, and Rulison fields, Garfield County and Mesa County – Procedures and Submittal Requirements for Compliance with COGCC Order Nos. 1-107, 139-56, 191-22, and 369-2 (July 8, 2010).</p> <p>5)Operator shall provide cement coverage from the production casing shoe (7" FIRST STRING) to a minimum of 500' above the Lower Wasatch (as defined by COGCC in the report "Casing and Cement Standards for Geologic Isolation Piceance Basin Bradenhead Monitoring Area and Nearby Fields," dated April 18, 2016, COGCC Document No. 2056199, Appendix A Field Scout Cards and Annotated Type Logs) to provide isolation of the Lower Wasatch, all Mesaverde Group formations including the Ohio Creek Formation, and underlying formations, if penetrated. Verify production casing cement coverage with a cement bond log. This requirement shall supersede the top of cement requirements in the Mamm Creek Field Notice to Operators.</p>

## Best Management Practices

<u>No BMP/COA Type</u>	<u>Description</u>
1   Drilling/Completion Operations	The existing well on the pad (MCU 4-4C API# 05-045-09424) has had a full set of logs ran that meet Rule 317 p. criteria.

Total: 1 comment(s)

## Applicable Policies and Notices to Operators

Policy
Mamm Creek Field Area Notice to Operators. <a href="http://cogcc.state.co.us/documents/reg/Policies/Mamm%20Creek%20Drilling.pdf">http://cogcc.state.co.us/documents/reg/Policies/Mamm%20Creek%20Drilling.pdf</a>
Piceance Rulison Field - Notice to Operators. <a href="http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf">http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf</a>
NW Colorado Notification Policy. <a href="http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf">http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf</a>
Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field). <a href="http://cogcc.state.co.us/documents/reg/Policies/NTO_07082010.pdf">http://cogcc.state.co.us/documents/reg/Policies/NTO_07082010.pdf</a>
Notice Concerning Operating Requirements for Wildlife Protection. <a href="http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf">http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf</a>

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401174640	FORM 2 SUBMITTED
401175206	DEVIATED DRILLING PLAN
401175227	LEASE MAP
401186580	WELL LOCATION PLAT
401186612	DIRECTIONAL DATA

Total Attach: 5 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Removed extra copy of directional data spreadsheet with operator approval. Corrected logging BMP as per operator. Final review complete.	03/29/2017
Permit	Removed plugging bond. Corrected waste management plans to match form 2A and notified operator. Preliminary review complete.	02/23/2017
Engineer	Offset water well check: There are no permitted water wells within one mile of this proposed surface hole location. Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of this wellbore meet standards. No mitigation required. Removed zero values from casing tab. Unchecked no offset wells within 1500 feet.	02/06/2017
Permit	Passes completeness. Plugging bond needs removal.	02/03/2017
Permit	Returned to draft: * Update Cultural Distances to match Form 2A.	01/23/2017
Permit	Corrected what Operator had not corrected: type of lease and label of Well Location Plat.	01/23/2017
Permit	Returned to draft: --Missing top of pay zone footages; indicate well type --label "PLAT" as Well Location Plat --indicate type of lease: federal --upload directional data template using COGCC template --access road map not required on APD --casing tab complete? proposed TD is 10269'. --need comment on distance to overhead utility at 145'. Does not meet safety setback. Explain.	01/06/2017

Total: 7 comment(s)