



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Grand Junction Field Office
2815 H Rd
Grand Junction, Colorado 81506
www.co.blm.gov/gjra/gjra.html



3160
CO130

May 13, 2005



Encana Oil & Gas (USA) Inc.
Attn: Ms. Julia Crusius
370 17th Street, Suite 1700
Denver, CO 80202

RE: Request to Pass Through Federal Minerals
Sec.'s 15, 23 & 25, Twn 5S, Rng. 96W 6th PM
Garfield County, CO

Dear Ms. Crusius,

The BLM is in receipt of your proposals (see attached list) to directionally drill from Encana's surface and minerals completely through federal lease COC 44963 in sections 23 and 25, and unleased federal minerals in section 15, ultimately drilling to total depth (TD) in fee minerals. From the horizontal and vertical plan, the entrance and exit points will be within the Wasatch Formation. The final bottom hole locations would vary from 322-2598 feet from the lease boundary.

After further review, the BLM accepts Encana Oil and Gas (USA) Inc.'s proposal with the following conditions:

1. At a minimum the top of cement for the production casing will be a minimum of 200' above the top of the Ohio Creek Member as initially identified in the horizontal and vertical plans and verified by logs prior to cementing.
2. A final directional survey will be submitted to this office after completion of drilling operations. The survey will include all surveys taken from the kick off point (KOP) to total depth, and will include a horizontal plan and vertical section.
3. The final bottom hole rectangular coordinates.

If you have any questions regarding this matter, please call me at 970.244.3041.

Sincerely,

o/s Wayne P. Bankert

Wayne P. Bankert
Petroleum Engineer

attachment
cc: Williams Production RMT
COGCC



2005 N. Parachute Well Locations

<u>Well Name</u>	<u>Surface Location</u>	<u>COC44963</u> <u>Entry</u>	<u>COC44963</u> <u>Exit(TVD)</u>	<u>Horizontal</u> <u>Distance (ft)</u>	<u>Accept Location</u> <u>Yes/No</u>
WF03D K23 596	NESW S.23, T5S-T96W	Surface	4507'	322	Yes
WF07B K23 596	NESW S.23, T5S-T96W	Surface	2538'	1135	Yes
WF02D K23 596	NESW S.23, T5S-T96W	Surface	1666'	2265	Yes
WF10B K23 596	NESW S.23, T5S-T96W	Surface	2979'	485	Yes
WF07D K23 596	NESW S.23, T5S-T96W	Surface	2003'	1420	Yes
WF08B K23 596	NESW S.23, T5S-T96W	Surface	1290'	2369	Yes
WF08D K23 596	NESW S.23, T5S-T96W	Surface	1145'	2598	Yes
WF09B K23 596	NESW S.23, T5S-T96W	Surface	1112'	1756	Yes
WF01D I25 596	NESE S. 25, T5S-R96W	Surface	1917	1645	Yes
WF08D I25 596	NESE S. 25, T5S-R96W	Surface	3957	325	Yes
WF08B I25 596	NESE S. 25, T5S-R96W	Surface	2143	1081	Yes
WF02D I25 596	NESE S. 25, T5S-R96W	Surface	1770	1921	Yes
WF07B I25 596	NESE S. 25, T5S-R96W	Surface	2167	1590	Yes
WF07D I25 596	NESE S. 25, T5S-R96W	Surface	3168	540	Yes
		<u>Unleased</u> <u>Fed. Min.</u>	<u>Unleased</u> <u>Fed. Min.</u>		
WF07D A15 596	NENE S. 15, T5S-R96W	2975	3395	857	Yes