

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OGCC USE ONLY RECEIVED FEB 26 2004 PLUGGING BOND SURETY ID#: 20020057

1. TYPE OF WORK APPLICATION FOR PERMIT TO: [X] Drill, [] Deepen, [] Re-enter, [] Recomplete



2. TYPE OF WELL OIL [] GAS [X] COAL BED [] OTHER: SINGLE ZONE [] MULTIPLE ZONE [X] COMMINGLE ZONES [X]

Refiling [] Sidetrack []

3. OGCC Operator Number: 100160 4. Name of Operator: EnCana Energy Resources Inc. 5. Address: 950 17th Street, Suite 2600 Denver CO 80202

4. Contact Name & Phone Cathi Boles Phone: 720-956-3687 Fax: 720-956-3600

Complete the Attachment Checklist

Attachment Checklist table with columns for item, Op, and OGCC. Items include APD Original & 2 Copies, Form2A, Permit Fee, Well Location Plat, Copy of Topo Map, Plugging Surety, etc.

7. Well Name: Wheeler Well Number: 32-1 8. Unit Name (if Appl.): Unit No: 9. Proposed Total Depth: 8400'

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec 1 Twp: 1N Rng: 69W Meridian: 6h P.M. Footage From Exterior Section Lines: At Surface: 1970' FNL, 2206' FEL

11. Field Name: Wattenberg Field Number: 90750 12. Ground Elevation: 4963' 13. County: Boulder Waiver

14. If well is: [] Directional [] Horizontal (Highly Deviated), submit deviated drilling program

15. Is location in a high density area (Rule 603b)? [] Yes [X] No 16. Distance to nearest building, public road, above ground utility or railroad: 1970' 17. Distance to Nearest Property Line: 482' 18. Distance to nearest well completed in same formation: +/- 1305'

LEASE, SPACING, AND POOLING INFORMATION

Table with columns: Objective Formation(s), Formation Code, Spacing Order Number, Unit Acreage Assigned to Well, Unit Configuration. Rows include Shannon, Niobrara, Codell, Greenhorn, Graneros, J Sandstone, Dakota.

20. Mineral Ownership: [X] Fee [] State [] Federal [] Indian Lease #: 21. Surface Ownership: [X] Fee [] State [] Federal [] Indian

23. Describe lease area associated only with the proposed well by QtrQtr, Sec, Twp, Rng (attach separate sheet/map if required): NE/4 less 6.08 acres, N/2 SE/4 of Section 1-T1N-R69W 24. Distance to Nearest Lease Line: 494' 25. Total Acres in Lease: 233.92

DRILLING PLANS AND PROCEDURES

26. Approx. Spud Date: ASAP NOTE: * IF Air/Gas Drilling, Notify Local Fire Officials 27. Drilling Contractor Number: 14723 Name: Caza Drilling Inc. Phone #: 303-292-1206 28. Is H2S Anticipated: [] Yes [X] No 29. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? [] Yes [X] No 30. Will salt sections be encountered during drilling? [] Yes [X] No 31. If questions 30 or 31 are yes, is this location in a sensitive area (Rule 903)? [] Yes [X] No 32. Mud disposal: [X] Offsite [] Onsite Method: [X] Land Farming [] Land Spreading [] Disposal Facility [] Other:

CASING AND CEMENTING PROGRAM

Table with columns: String, Hole Size, Size of Casing, Weight Per Foot, Setting Depth, Sacks Cement, Cement Bottom, Cement Top. Rows for Surface and Production strings.

34. BOP Equipment Type: [X] Annular Preventor [X] Double Ram [X] Rotating Head [] None

36. Comments, if any: Consultation according to Rule 306 has occurred.

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

Print Name: Cathi Boles Signed: Cathi Boles Title: Permitting/Regulatory Analyst Date: 02/25/04

OGCC Approved: RT Drilling Director of COGCC Date: 3-25-04 Permit Number: 20040461 Expiration Date: 3-24-05

API NUMBER 05-013-06507-00

CONDITIONS OF APPROVAL, IF ANY:

1) Provide 24 hour notice of MIRU to Dave Shelton at 303-894-2100 x 108 or e-mail at david.shelton@state.co.us 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.

LOCATION: SW1/4 OF NE1/4 OF SEC. 1, T.1N., R.69W. (1970 NSL, 2206 ESL)

Ground Elevation: 4963

Number of Acres: 0



AQUIFER	ELEVATION		NET SAND	DEPTH TO		ANNUAL APPROP A-F	STATUS
	BOT.	TOP		BOT.	TOP		
UPPER DAWSON	----	----	----	----	----	----	---
LOWER DAWSON	----	----	----	----	----	----	---
DENVER	----	----	----	----	----	----	---
UPPER ARAPAHOE	----	----	----	----	----	----	---
LOWER ARAPAHOE	----	----	----	----	----	----	---
LARAMIE-FOX HILLS	----	----	----	----	----	----	---

note: E indicates location is at aquifer boundary and values may be more approximate.
Data for the LARAMIE FOX-HILLS may be missing or approximate and should be checked against DENVER BASIN ATLAS NO. 4