



103-10388

FORM 3160-3
(December 1990)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
ENCANA OIL & GAS (USA) INC.

3. ADDRESS AND TELEPHONE NO.
950 17TH STREET DENVER, CO 80202 720-956-3702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
At Surface
1069' FSL, 1244' FEL
At proposed prod. zone
SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
APPROXIMATELY 31.1 MILES FROM RANGELY, COLORADO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
1084'

16. NO. OF ACRES IN LEASE
2158.63

17. NO. OF ACRES ASSIGNED TO THIS WELL
5

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
4714'

19. PROPOSED DEPTH
3325' TVD 3325' MD

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6899' UNGRADED

22. APPROX. DATE WORK WILL START*
October 2003

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	J-55,STC, 7"	20#	320'	85
6-1/4"	J-55, LTC, 4-1/2"	11.6#	3325'	242

- OIL AND GAS NATIONWIDE BOND NO. RLB0004733
- Surface Ownership - Federal
- Mineral Ownership - Federal
- Please reference attached Drilling Plan, Surface Use Plan and Exhibits.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *Michael J. Walter* TITLE Permitting Analyst DATE 10/3/2003

(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY
APPROVED BY _____ TITLE _____ DATE _____

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
South Douglas Creek Unit #7365

1. **OPERATOR:** EnCana Oil & Gas (USA) Inc
WELL NAME: South Douglas Creek # 7365
LOCATION (SL): SE SE, Sec 18, T4S, R101W
1069' FSL & 1244' FEL
Rio Blanco County, CO

2. **ESTIMATED TOPS OF GEOLOGICAL MARKERS (TVD)**

Formation	TVD
MANCOS A	1820
MANCOS B	2900
MANCOS SHALE	3335
TD	3325

NOTE: Based on estimated elevations of 6899' GL / 6910' RKB.

3. **ESTIMATED TOPS OF POSSIBLE WATER, OIL, GAS OR MINERALS**

The estimated depths at which possible water, oil, gas or minerals will be encountered are as follows:

Formation	TVD
MANCOS A	1820
MANCOS B	2900

4. **OPERATOR'S SPECIFICATIONS FOR PRESSURE CONTROL EQUIPMENT**

- a. Minimum working pressure on rams and BOPE will be 2,000 psi.
- b. Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- c. Both high and low pressure tests of the BOPE will be conducted.
- d. The Annular BOP (optional) will be pressure tested to a minimum of 50% of its rated working pressure.
- e. Blind and Pipe Rams/BOP will be tested to a minimum of 100% of rated working pressure (against a test plug).
- f. Surface casing will be tested from surface to TD (float collar) at 1,500 psi surface pressure (prior to drilling out the float collar).
- g. All other casing will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, but not to exceed 70% of the internal yield.
- h. BOP testing procedures and testing frequency will conform to Onshore Order No. 2.
- i. BOP remote controls shall be located on the rig floor at a location readily accessible to the driller. Master controls shall be on the ground at the accumulator and shall have the capability to function all preventors.
- j. The kill line shall be 2" minimum and contain two kill line valves, one of which shall be a check valve.
- k. The choke line shall be 2" minimum and contain two choke line valves (2" minimum).
- l. The choke and manifold shall contain two adjustable chokes.
- m. Hand wheels shall be installed on all ram preventors.
- n. Safety valves and wrenches (with subs for all drill string connections) shall be available on the rig floor at all times.
- o. Inside BOP or float sub shall also be available on the rig floor at all times.
- p. Upper kelly cock valve (with handle) shall be available at all times.
- q. A non-lubricated stripping head will be utilized to drill into the producing formation.

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Note: Special Drilling Operations

- r. Properly lubricated and maintained rotating head for normal drilling operations
- s. A non-lubricated stripping head will be utilized to drill into the producing formation.
- t. Spark arresters on engines or water cooled exhaust*
- u. Blooie line discharge 100 feet from well bore and securely anchored
- v. Straight run on blooie line unless otherwise approved
- w. Deduster equipment*
- x. All cuttings and circulating medium shall be directed into a reserve or blooie pit*
- y. Float valve above bit*
- z. Automatic igniter or continuous pilot light on the blooie line*
- aa. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore
- bb. Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits

Proposed BOP and Choke Manifold arrangements are attached.

5. PROPOSED CASING AND CEMENTING PROGRAM (Measured Depths)

DEPTH (MD)	HOLE SIZE	SIZE	WEIGHT	CSG	GRADE/ THREAD	CEMENT VOLUME
0-20'+/-	11"	9-5/8"	Linepipe	Conductor	Preset	Drive
0-320'	8-3/4"	7"	20 ppf	Surface	J-55, STC	85 sxs Premium Type V w/ 2% CaCl ₂ + ¼ lbs/sx flocele, 15.6ppg / 1.18 Cu ft/sx
0-3325'	6-1/4"	4-1/2"	11.6 ppf	Production	J-55, LTC	167 sxs Premium Lite (12 ppg / 2.65 cfpsx) 75 sxs Premium + (15.6 ppg / 1.03 cfpsx)

Cementing Volume Design Assumptions:

Surface Casing

- 1. Designed to surface assuming gauge hole plus 110% excess.

Production Casing

- 1. Designed to surface assuming gauge hole plus 50% excess.

6. DIRECTIONAL DRILLING PROGRAM

Straight hole.

Directional control will be maintained by single shot surveys every 500', bit trips, and at TD.

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7. PROPOSED DRILLING FLUIDS PROGRAM

DEPTH	MUD TYPE	DENSITY lbs/gal	VISCOSITY (sec/qt)	FLUID LOSS (cc)
0' - 320'	Air/mist	n/a	n/a	n/a
320' - TD'	air mist (KCl, polymer, and soap)	n/a	n/a	n/a

8. TESTING, CORING AND LOGGING

- a. Drill Stem Testing – none anticipated
- b. Coring – none anticipated. Potential for sidewall cores if warranted
- c. Mud Logging –none anticipated
- d. Logging Program:

Open Hole
None planned

Cased Hole
Gamma Ray- Neutron-CCL
Cement Bond Log w/ CCL/Gamma Ray

Logging Interval
TD – Surface Casing
PBD to top-of-cement

9. ABNORMAL PRESSURES OR TEMPERATURES; POTENTIAL HAZARDS

None anticipated. There are no known abnormal pressures, temperatures, or potential hazards in the area.

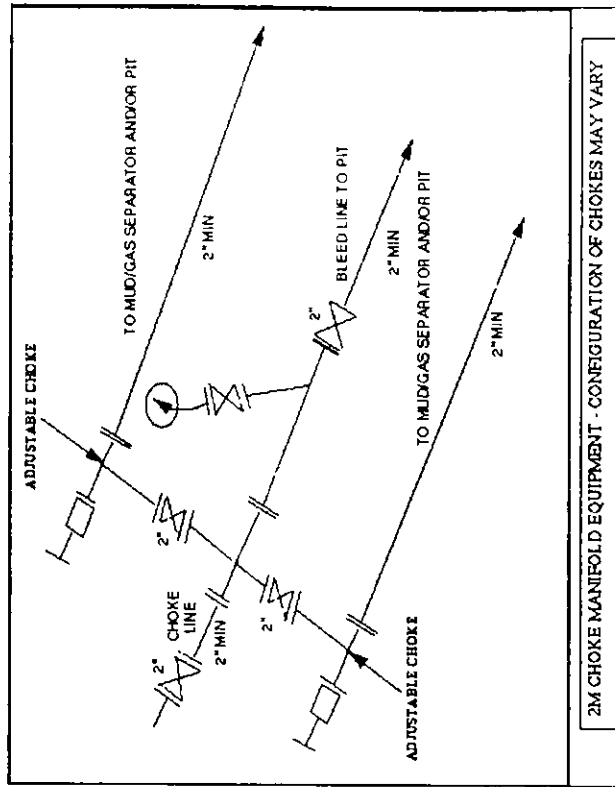
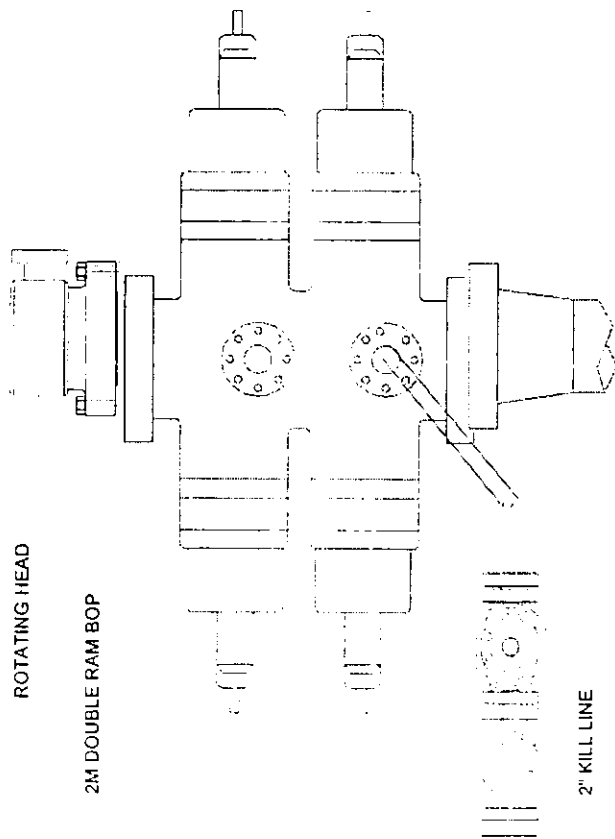
Anticipated maximum bottom hole pressure is less than 500 psi.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Location construction is to begin immediately upon receiving the approved drilling permit or as allowed by winter and wildlife stipulations. The spud date is flexible, and could be accelerated or delayed as required to fit rig schedules.

The drilling operation is anticipated to require \pm 7 days.

2" CHOKE LINE FROM
OUTLET ON BOTTOM
SIDE OF RAMS



2M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY