IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

FORM 2 Rev 12/05	State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109	STATE OF COLORADO OIL & GAS	DE ET OE ES

APPLICATION FOR PERMIT TO:

Document Number: 400166397

Plugging Bond Surety

1. ☒ **Drill,** ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐   GAS ☒   COALBED ☐   OTHER LATERAL

SINGLE ZONE ☒   MULTIPLE ZONE ☐   COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☒

3. Name of Operator: ENCANA OIL & GAS (USA) INC   4. COGCC Operator Number: 100185

5. Address: 370 17TH ST STE 1700

City: DENVER   State: CO   Zip: 80202-5632

6. Contact Name: Jevin Croteau   Phone: (720)876-5339   Fax: (720)876-6339

Email: jevin.croteau@encana.com

7. Well Name: Federal   Well Number: 28-11H (PL28SW)

8. Unit Name (if appl): Place Mesa   Unit Number: COC-74749X

9. Proposed Total Measured Depth: 12817

WELL LOCATION INFORMATION

10. QtrQtr: NESW   Sec: 28   Twp: 9S   Rng: 96W   Meridian: 6

Latitude: 39.243207   Longitude: -108.112173

	FNL/FSL		FEL/FWL
Footage at Surface:	1520 feet FSL	1874 feet	FWL

11. Field Name: Wildcat   Field Number: 99999

12. Ground Elevation: 6089   13. County: MESA

14. GPS Data:

Date of Measurement: 07/09/2009   PDOP Reading: _____   Instrument Operator's Name:

15. 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

1520	FSL	1874	FWL	899	FNL	1983	FWL

Sec: 28   Twp: 9S   Rng: 96W   Sec: 32   Twp: 9S   Rng: 96W

16. Is location in a high density area? (Rule 603b)?   ☐ Yes   ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 1000 ft

18. Distance to nearest property line: 1700 ft 19. Distance to nearest well permitted/completed in the same formation: 3 mi

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Mancos	MNCS			

21. Mineral Ownership:	☐ Fee	☐ State	☒ Federal	☐ Indian		Lease #:	COC71266
22. Surface Ownership:	☐ Fee	☐ State	☒ Federal	☐ Indian			

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No

23b. If 23 is No: ☐ Surface Owners Agreement Attached or ☐ $25,000 Blanket Surface Bond ☐ $2,000 Surface Bond ☐ $5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

Please see the attached Place Mesa Unit Map for lease reference.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 1369

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	65	0	40	118	40	0
SURF	14+3/4	10+3/4	40.5	0	818	1,500	818	0
1ST	9+7/8	7+5/8	26.4	0	6,200	731	6,200	975
2ND	6+3/4	5	23.2	0	12,817	524	12,817	5,700

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments This APD is for a sidetrack from an approved vertical well. This sidetrack will be drilled as a horizontal well in our Place Mesa Unit, COC-74749X, which became effective 2/4/11. The BHL falls entirely within the unit boundary. The distance to the nearest unit line is 5075'. The production zone crosses and will produce from two Federal Leases, the SHL and start of the production zone is on lease COC-71266 and the BHL and end of the production zone is on lease COC-65769.

34. Location ID: 421652

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

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

Signed: _____ Print Name: Jevin Croteau

Title: Regulatory Analyst Date: 5/18/2011 Email: jevin.croteau@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: _David S. Neslin_ **Director of COGCC** Date: 6/10/2011

API NUMBER	Permit Number: _____	Expiration Date: __6/9/2013__
05 077 10150 01	**CONDITIONS OF APPROVAL, IF ANY:** _____	

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.

1.) INTERMEDIATE CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

2.) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

3.) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 0 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400166397	FORM 2 SUBMITTED
400166454	WELL LOCATION PLAT
400166457	DEVIATED DRILLING PLAN
400166458	LEASE MAP
400166459	FED. SUNDRY NOTICE

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Permit	Added commingle as no No PDOP information was taken	6/7/2011 4:55:19 PM
Permit	Pilot hole has been approved. sf	5/19/2011 3:15:42 PM

Total: 2 comment(s)

BMP

Type	Comment

Total: 0 comment(s)