

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



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| DE | ET | OE | ES |
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Document Number:

400175025

Plugging Bond Surety

20100017

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
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: JENNIFER LIND Phone: (720)876-5890 Fax: (720)876-6890
Email: JENNIFER.LIND@ENCANA.COM
7. Well Name: LIBERTY Well Number: 2-0-21
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 7938

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 21 Twp: 3N Rng: 68W Meridian: 6
Latitude: 40.216800 Longitude: -105.009540

Footage at Surface: 650 feet FNL/FSL FNL 2169 feet FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750
12. Ground Elevation: 5028 13. County: WELD

14. GPS Data:

Date of Measurement: 05/23/2011 PDOP Reading: 2.0 Instrument Operator's Name: C. BURKE

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 50 FNL 1325 FWL 50 FNL 1325 FWL
Bottom Hole: FNL/FSL 50 FNL 1325 FWL
Sec: 21 Twp: 3N Rng: 68W Sec: 21 Twp: 3N Rng: 68W

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: 466 ft

18. Distance to nearest property line: 470 ft 19. Distance to nearest well permitted/completed in the same formation: 2725 ft

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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL | CODL | 407 | 160 | GWA |
| J SAND | JSND | 232 | 160 | GWA |
| NIOBRARA | NBRR | 407 | 160 | GWA |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

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):
T3N-R68W-SEC. 21: NW/4

25. Distance to Nearest Mineral Lease Line: _____ 50 ft 26. Total Acres in Lease: _____ 160

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

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.

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

| Casing Type | Size of Hole | Size of Casing | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 700 | 255 | 700 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 7,938 | 174 | 7,938 | 6,858 |

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

33. Comments NO CONDUCTOR CASING WILL BE UTILIZED

34. Location ID: _____

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: 6/24/2011 Email: JENNIFER.LIND@ENCANA.C

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: 7/20/2011

API NUMBER

05 123 34009 00

Permit Number: _____ Expiration Date: 7/19/2013

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) Provide 24 hour notice of MIRU to Bo Brown at e-mail bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400175025 | FORM 2 SUBMITTED |
| 400177842 | WELL LOCATION PLAT |
| 400177868 | DEVIATED DRILLING PLAN |
| 400177872 | 30 DAY NOTICE LETTER |
| 400177904 | MINERAL LEASE MAP |
| 400177913 | TOPO MAP |
| 400178748 | PROPOSED SPACING UNIT |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | The 2-0 & 4-2-21 locations are mentioned in the last paragraph on the 2nd page and were included on the plat that was sent along with the notice. NKP | 6/27/2011 11:31:29 AM |
| Permit | This well is not included in list on 30-day notice letter. NKP | 6/27/2011 11:12:45 AM |

Total: 2 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)