

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



DE	ET	OE	ES
----	----	----	----

Document Number:
400156202
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: IONE Well Number: 3A-2H

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 11811

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 2 Twp: 2N Rng: 66W Meridian: 6
Latitude: 40.165970 Longitude: -104.752100

Footage at Surface: 2177 feet FSL 470 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5030 13. County: WELD

14. GPS Data:

Date of Measurement: 04/04/2011 PDOP Reading: 1.4 Instrument Operator's Name: SHORT

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 _____
2204 FSL 730 FWL 2585 FSL 460 FEL
Sec: 2 Twp: 2N Rng: 66W Sec: 2 Twp: 2N Rng: 66W

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: 3108 ft

18. Distance to nearest property line: 446 ft 19. Distance to nearest well permitted/completed in the same formation: 252 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.)
NIOBRARA	NBRR	407	320	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 Bon \$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):
T2N-R66W-SEC.2: ALL; SEC.4: S/2; SEC.8: NE/4; SEC.10: E/2

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 1680

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
SURF	12+1/4	9+5/8	40	0	800	198	800	0
1ST	8+3/4	7	26	0	7,253	805	7,253	500
2ND	6+1/8	4+1/2	13.5	0	11,811			

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

33. Comments NO CONDUCTOR CASING WILL BE UTILIZED. ENCANA REQUESTS APPROVAL OF RULE 318A.c EXCEPTION LOCATION. WELLHEAD TO BE LOCATED FURTHER THAN 50 FEET FROM AN EXISTING WELL. WAIVER ATTACHED.

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: 4/21/2011 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. Nashin Director of COGCC Date: 5/15/2011

Permit Number: _____ Expiration Date: 5/14/2013

API NUMBER
05 123 33523 00

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 Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing 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
400156202	FORM 2 SUBMITTED
400156340	WELL LOCATION PLAT
400156685	EXCEPTION LOC WAIVERS
400156688	EXCEPTION LOC REQUEST
400156695	DRILLING PLAN
400156797	PROPOSED SPACING UNIT
400156799	SURFACE AGRMT/SURETY
400156808	TOPO MAP
400156819	30 DAY NOTICE LETTER
400156872	MINERAL LEASE MAP

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Operator requests approval of a Rule 318Ac exception location: Wellhead is to be located more than 50' from an existing well location. plg.	5/3/2011 9:00:05 AM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)