

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: UTU-64422	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER <u>Tight Hole</u> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: NA	
2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc.			9. WELL NAME and NUMBER: Federal 42-28	
3. ADDRESS OF OPERATOR: 950 17th St., Suite 2600 CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (720) 956-3702	10. FIELD AND POOL, OR WILDCAT: North Chapita Field <i>Undesignated</i>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1576' FNL, 988' FEL <i>4439621Y 40,69668 442730X -109.32562</i> AT PROPOSED PRODUCING ZONE: same as above			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 28 8S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 31.45 miles from Vernal, UT			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 9260' North	16. NUMBER OF ACRES IN LEASE: 1920	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) Approx. 9500'	19. PROPOSED DEPTH: 8,669	20. BOND DESCRIPTION: RLB004733		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5287 GR	22. APPROXIMATE DATE WORK WILL START: 10/29/2003	23. ESTIMATED DURATION: 15 days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8" J-55 STC 24#	525	"G", 275 sxs 1.18cft/sx Wt.15.6 ppg
7-7/8"	4-1/2' N-80 LTC 11.6#	8,669	Lite Poz, 300 sxs 3.9 cft/sk Wt.11ppg
			Poz G, 1055 sxs 1.31 cft/sk Wt.14.3 ppg

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OCT 01 2003
DIV. OF OIL, GAS & MINING

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Judith A. Walter TITLE Regulatory Analyst

SIGNATURE Judith A. Walter DATE 9/29/2003

(This space for State use only)

API NUMBER ASSIGNED: 43-047-35263

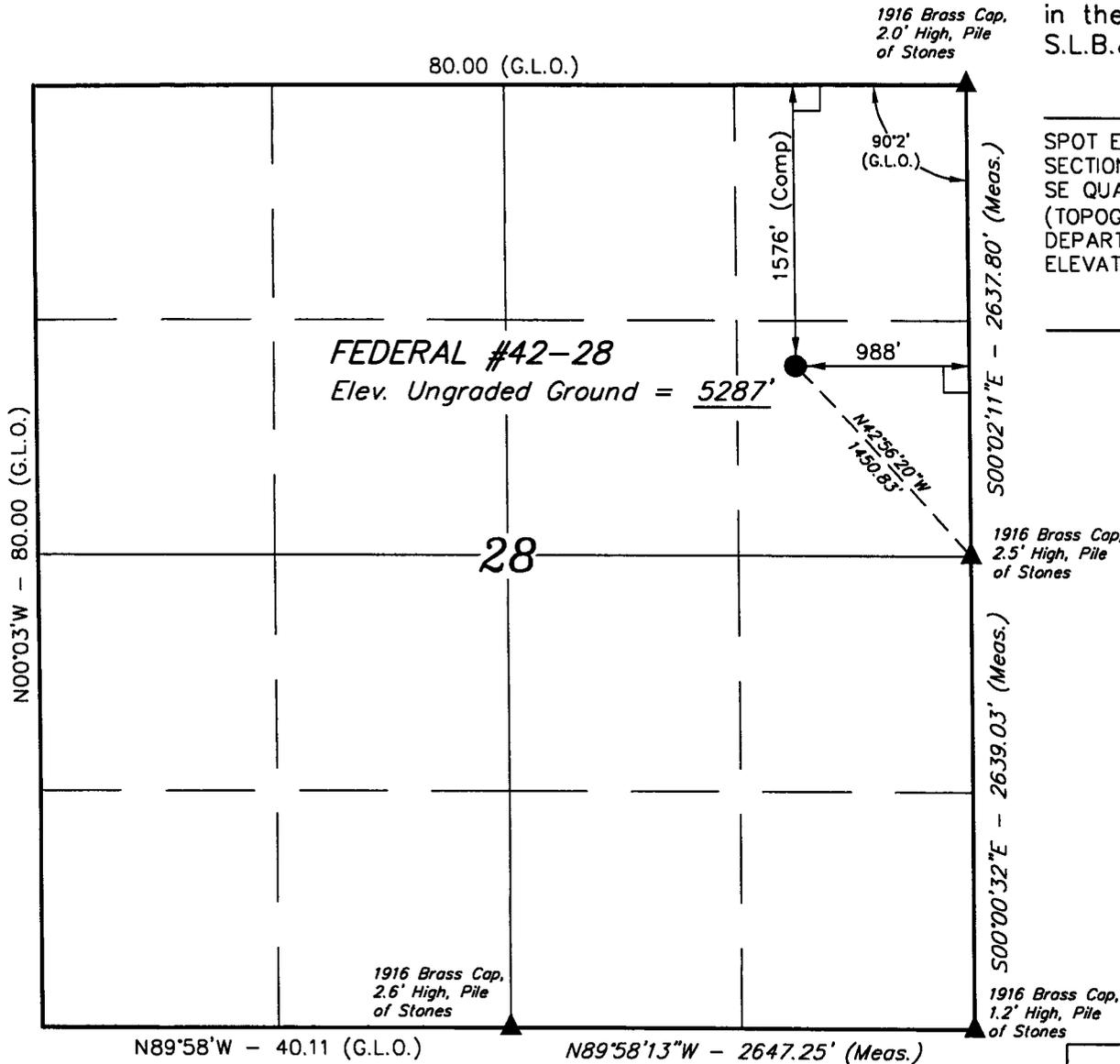
Federal Approval of this Action is Necessary
APPROVAL:

Approved by the Utah Division of Oil, Gas and Mining
Date: 10-22-03
By: [Signature]

T8S, R23E, S.L.B.&M.

ENCANA OIL & GAS (USA) INC.

Well location, FEDERAL #42-28, located as shown in the SE 1/4 NE 1/4 of Section 28, T8S, R23E, S.L.B.&M. Uintah County, Utah.

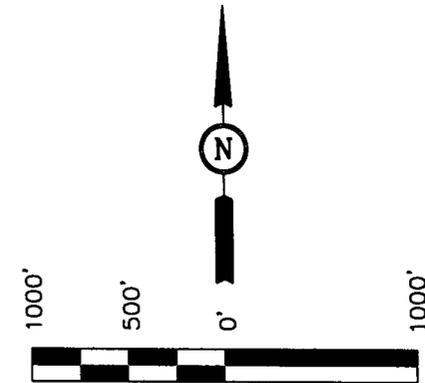


BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NW 1/4 OF SECTION 3, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4992 FEET.

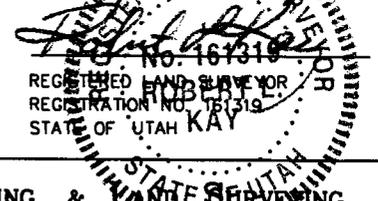
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)
 LATITUDE = 40°05'47.81" (40.096614)
 LONGITUDE = 109°19'34.35" (109.326208)

SCALE 1" = 1000'	DATE SURVEYED: 8-28-03	DATE DRAWN: 9-8-03
PARTY B.B. J.W. C.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE ENCANA OIL & GAS (USA) INC.	

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #42-28**

1. **OPERATOR:** EnCana Oil & Gas (USA) Inc
WELL NAME: North Chapita Federal # 42-28
LOCATION (SL): SENE, Sec 28, T8S, R23E
1576' FNL & 988' FEL
Uintah County, UT
BHL: Same

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

<u>Formation</u>	<u>TVD</u>
GREEN RIVER	2646
DOUGLAS CREEK	4853
CARBONATE MARKER	5113
WASATCH	5609
MESAVERDE	8219
TD	8669

NOTE: Based on elevation of 5,287 GL; 5,299' 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:

	<u>TVD</u>
GREEN RIVER	2646
DOUGLAS CREEK	4853
WASATCH	5609
MESAVERDE	8219
TD	8669

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

- a. Minimum working pressure on rams and BOPE will be 3,000 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 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 3" minimum and contain two choke line valves (3" 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.

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #42-28**

- p. Upper kelly cock valve (with handle) shall be available at all times.

Note: Special Drilling Operations if Air Drilling*

- q. Properly lubricated and maintained rotating head for normal drilling operations
- r. Spark arresters on engines or water cooled exhaust*
- s. Blooie line discharge 100 feet from well bore and securely anchored
- t. Straight run on blooie line unless otherwise approved
- u. Deduster equipment*
- v. All cuttings and circulating medium shall be directed into a reserve or blooie pit*
- w. Float valve above bit*
- x. Automatic igniter or continuous pilot light on the blooie line*
- y. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore
- z. 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

Shown in Exhibit I is the proposed BOP and Choke Manifold arrangements.

5. PROPOSED CASING AND CEMENTING PROGRAM (Measured Depths)

DEPTH (MD)	HOLE SIZE	SIZE	WEIGHT	CSG	GRADE/ THREAD	CEMENT VOLUME
0-40'+/-	13-1/2"	14"	N/A	Conductor	N/A	N/A
0-525'	12-1/4"	8-5/8"	24 ppf	Surface	J-55, STC (New)	± 275 sxs 'G' w/ 2% CaCl ₂ + ¼ lbs/sx Flocele (wt 15.6 ppg; yield 1.18 cft/sx)
0-8669'	7-7/8"	4-1/2"	11.6 ppf	Production	N-80, LTC (New)	± 300 sxs LitePoz + FL/Extender additives; (wt 11 ppg, yield 3.9 cft/sk) ± 1055 sxs 50:50 Poz'G' + additives; (wt 14.3 ppg, yield 1.31 cft/sk)

Cementing Volume Design Assumptions:

Surface Casing

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

Production Casing

1. Lead Slurry designed to 4000' from surface assuming gauge hole plus 30% excess.
2. Tail Slurry designed to 4000' from TD assuming gauge hole plus 30% excess.
3. Actual volumes pumped to be calculated from log caliper data plus 10% excess and may vary depending on additional field and/or logging data.

6. DIRECTIONAL DRILLING PROGRAM

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

7. PROPOSED DRILLING FLUIDS PROGRAM

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #42-28**

DEPTH	MUD TYPE	DENSITY lbs/gal	VISCOSITY (sec/qt)	FLUID LOSS (cc)
0' – 525'	FW mud w/gel or Air Mist (FW, polymer, and soap)	8.4-8.6	N/A	N/A
525'– 6500' 6500'- TD	FW mud w/ gel LSND w/ LCM	8.4-8.8 8.6-9.1	N/A 25-40	NC to <20 <15 to 6-8

8. TESTING, CORING AND LOGGING

- a. Drill Stem Testing – none anticipated
- b. Coring – none anticipated.
- c. Mud Logging: Optional from 1,800' to TD

d. Logging Program:

<u>Open Hole</u>	<u>Logging Interval</u>
AIT-SP-GR	From TD to Surface Casing
FDC-CNL-GR	“ “

<u>Cased Hole</u>	
GR-CCL	From TD to surface casing

Note: Will also run CBL on production casing if no cement is circulated to surface.

9. ABNORMAL PRESSURES OR TEMPERATURES; POTENTIAL HAZARDS

There are no known abnormal pressures, temperatures, or potential hazards in the area.

Anticipated maximum BHP is 3,750 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 ± 15 days per well.
Completion operations are anticipated to begin within one week of end of drilling operations.

EnCana OIL & GAS (USA) INC.

FEDERAL #42-28

LOCATED IN UINTAH COUNTY, UTAH
SECTION 28, T8S, R23E, S.L.B.&M.

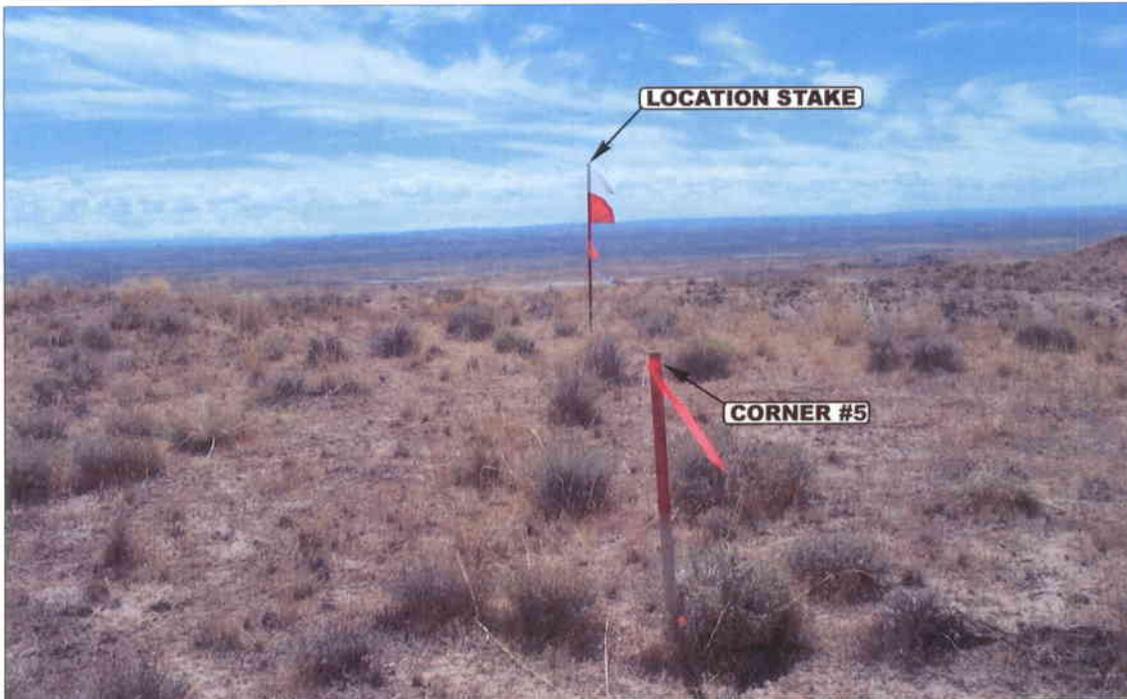


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

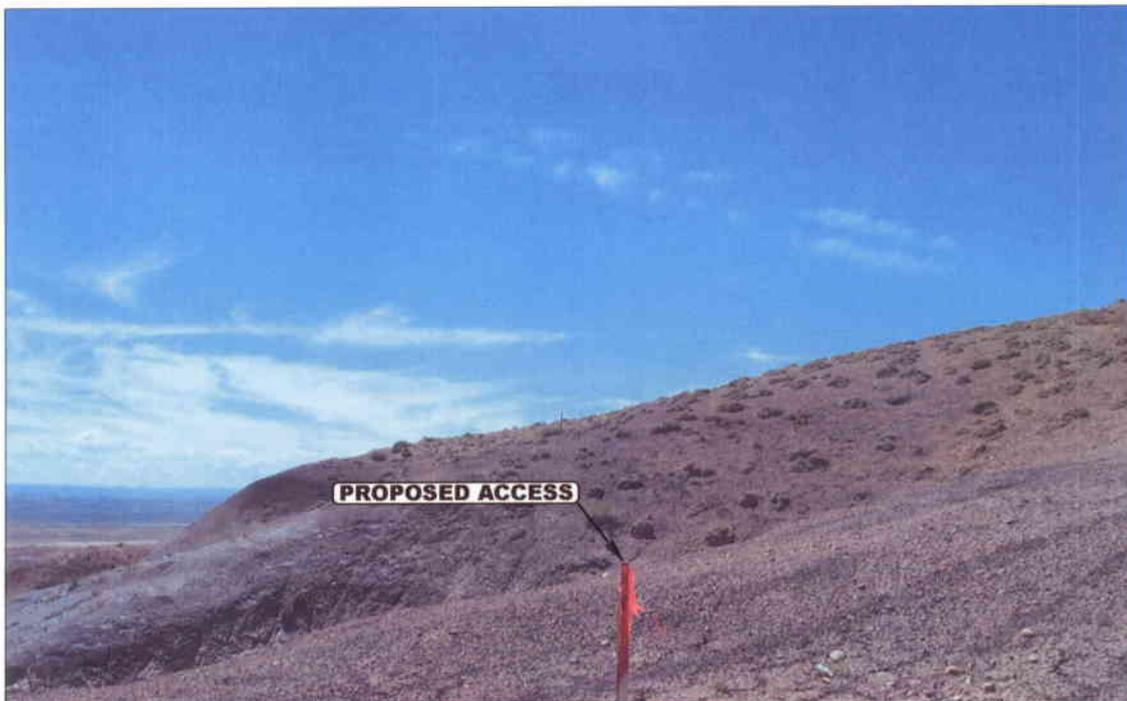


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

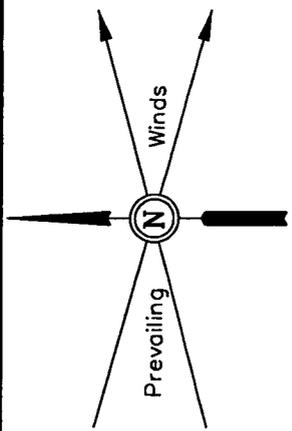
LOCATION PHOTOS			09	01	03	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.B.	DRAWN BY: P.M.	REVISED: 00-00-00				

ENCANA OIL & GAS (USA) INC.

FIGURE #1

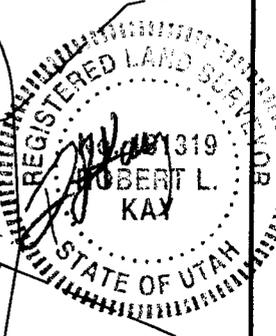
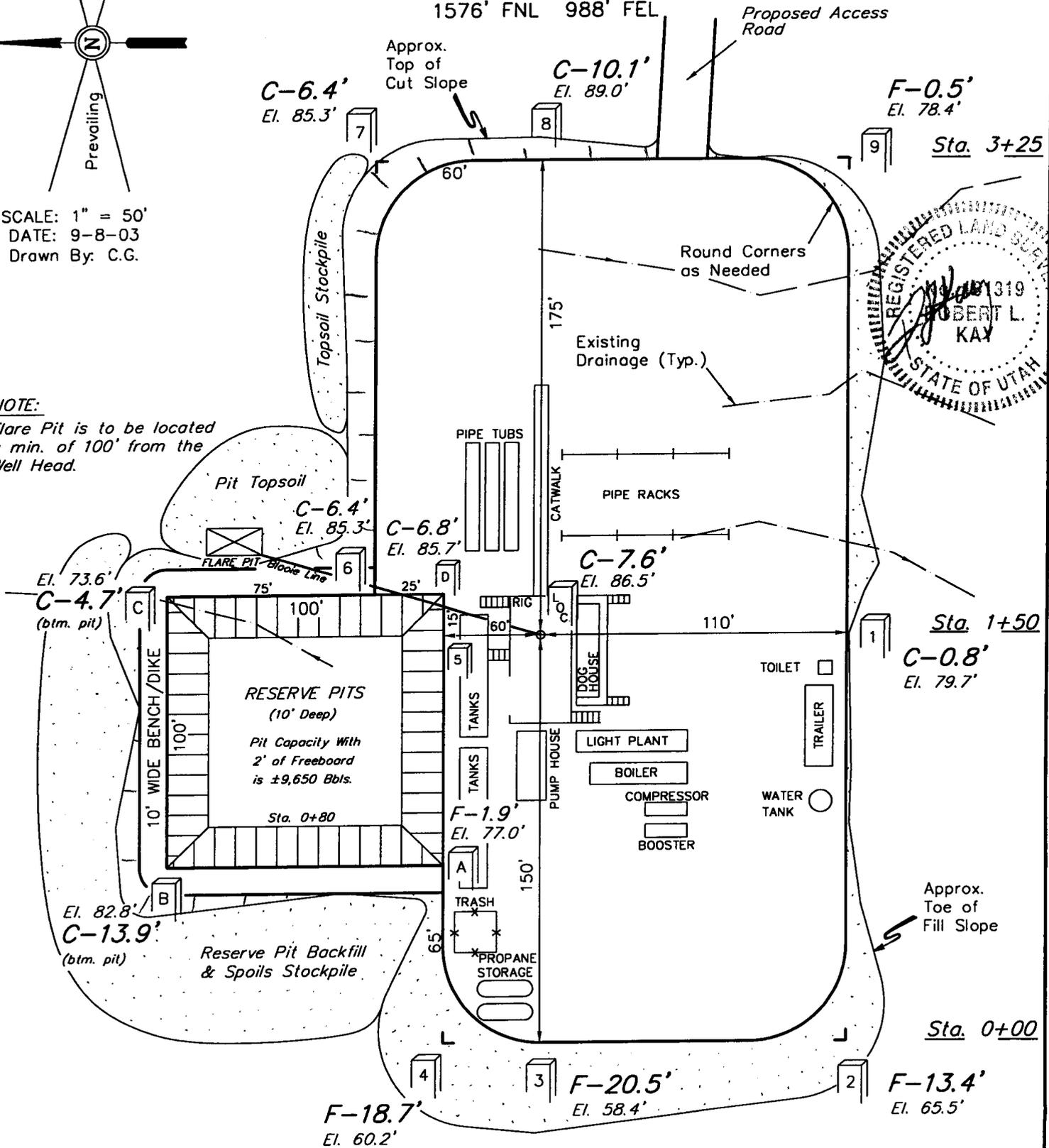
LOCATION LAYOUT FOR

FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL



SCALE: 1" = 50'
DATE: 9-8-03
Drawn By: C.G.

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5286.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5278.9'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ENCANA OIL & GAS (USA) INC.

TYPICAL CROSS SECTIONS FOR

FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 9-8-03
Drawn By: C.G.

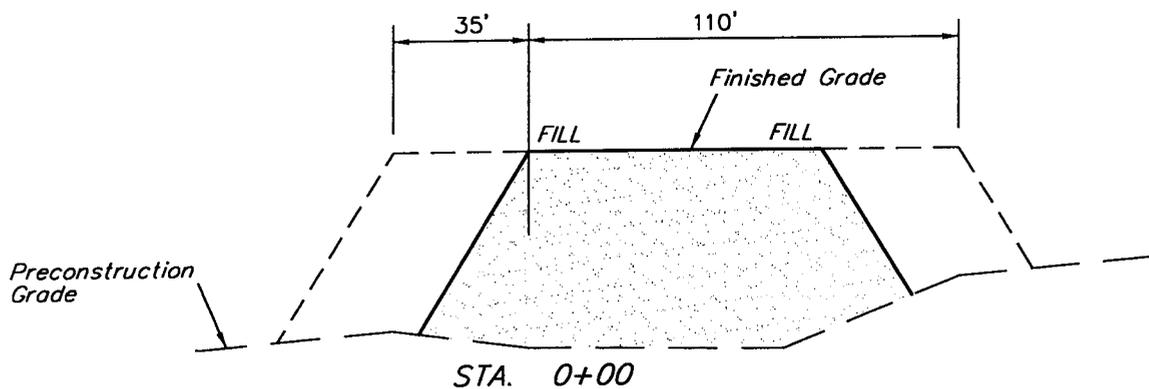
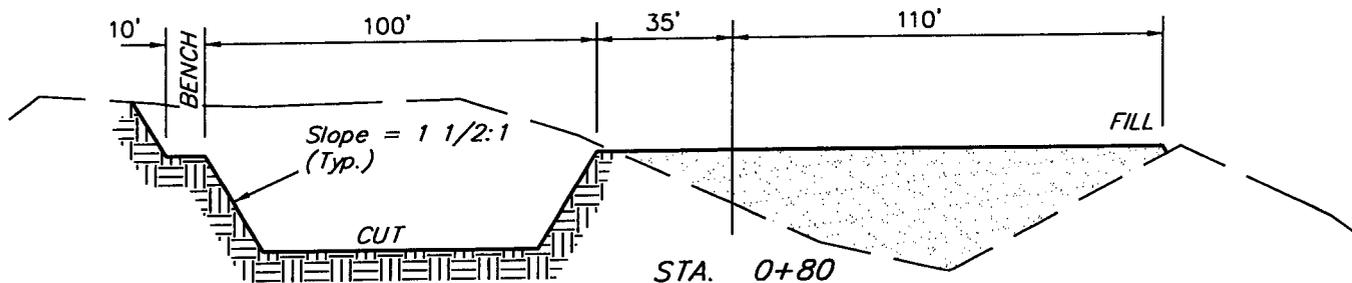
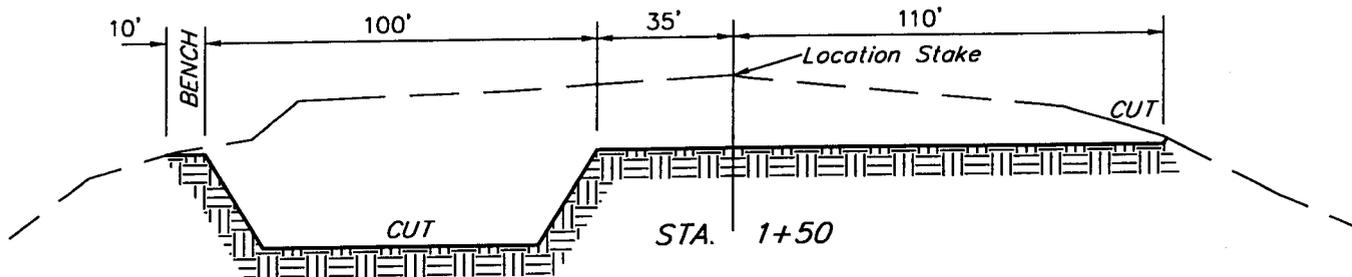
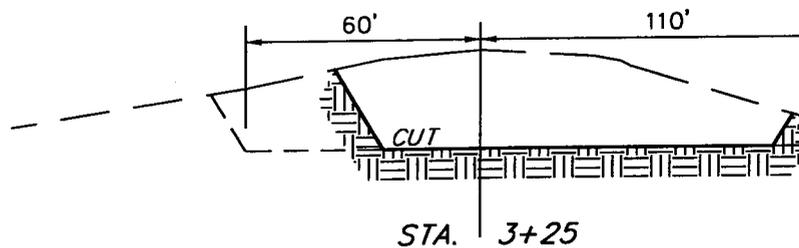
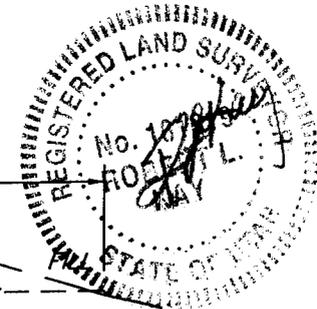
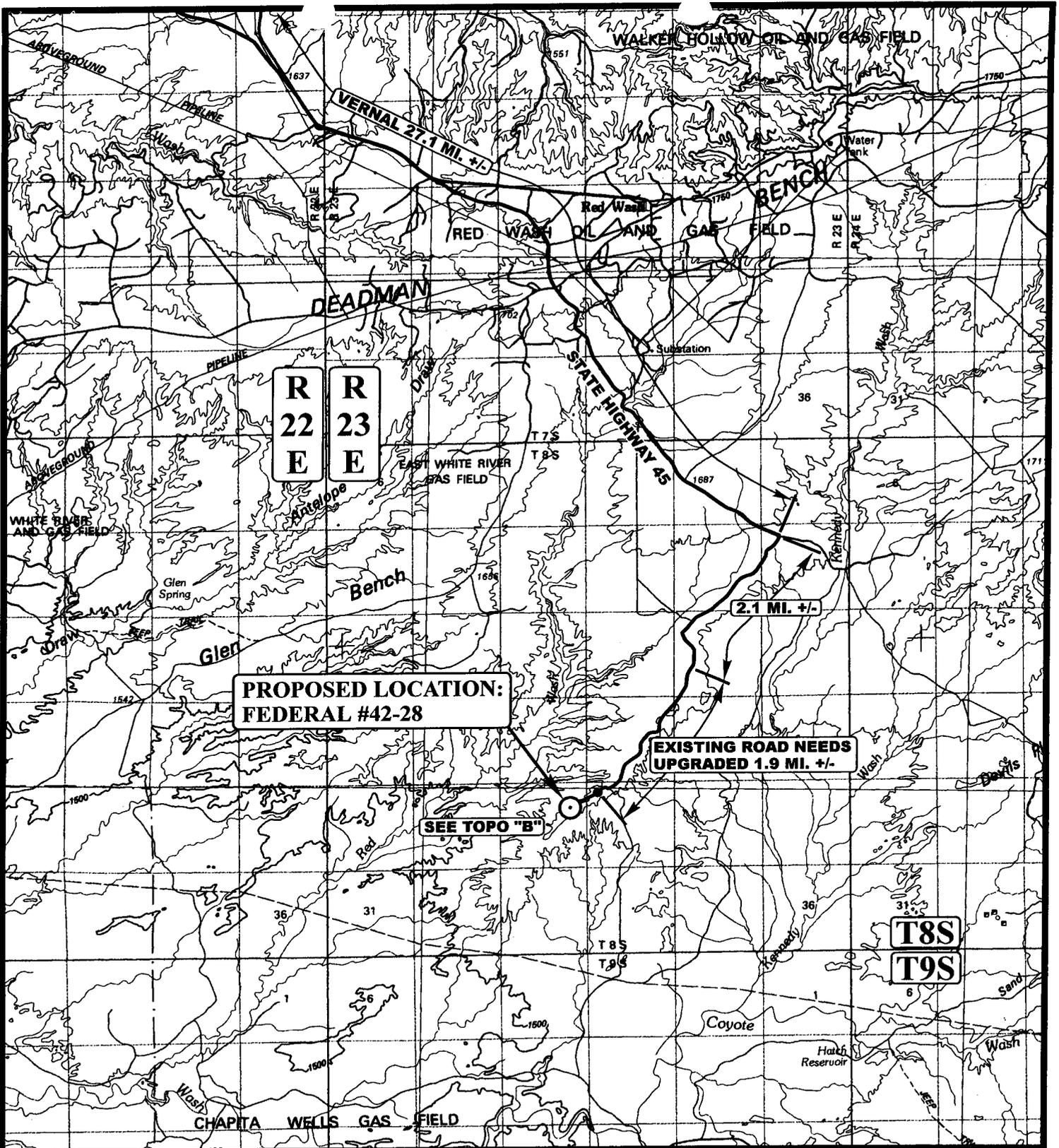


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,190 Cu. Yds.
Remaining Location	= 11,470 Cu. Yds.
TOTAL CUT	= 12,660 CU.YDS.
FILL	= 9,620 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,530 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,530 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:
FEDERAL #42-28**

**EXISTING ROAD NEEDS
UPGRADED 1.9 MI. +/-**

2.1 MI. +/-

SEE TOPO "B"

**T8S
T9S**

LEGEND:

⊙ EXISTING LOCATION

EnCana OIL & GAS (USA) INC.

**FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP

09 01 03
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



R
23
E

STATE HIGHWAY 45 2.1 MI. +/-
VERNAL 29.2 MI. +/-

EXISTING ROAD NEEDS
UPGRADED 1.9 MI. +/-

PROPOSED ACCESS 0.35 MI. +/-

PROPOSED LOCATION:
FEDERAL #42-28

T8S

LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING ROAD NEEDS UPGRADED

EnCana OIL & GAS (USA) INC.

FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL



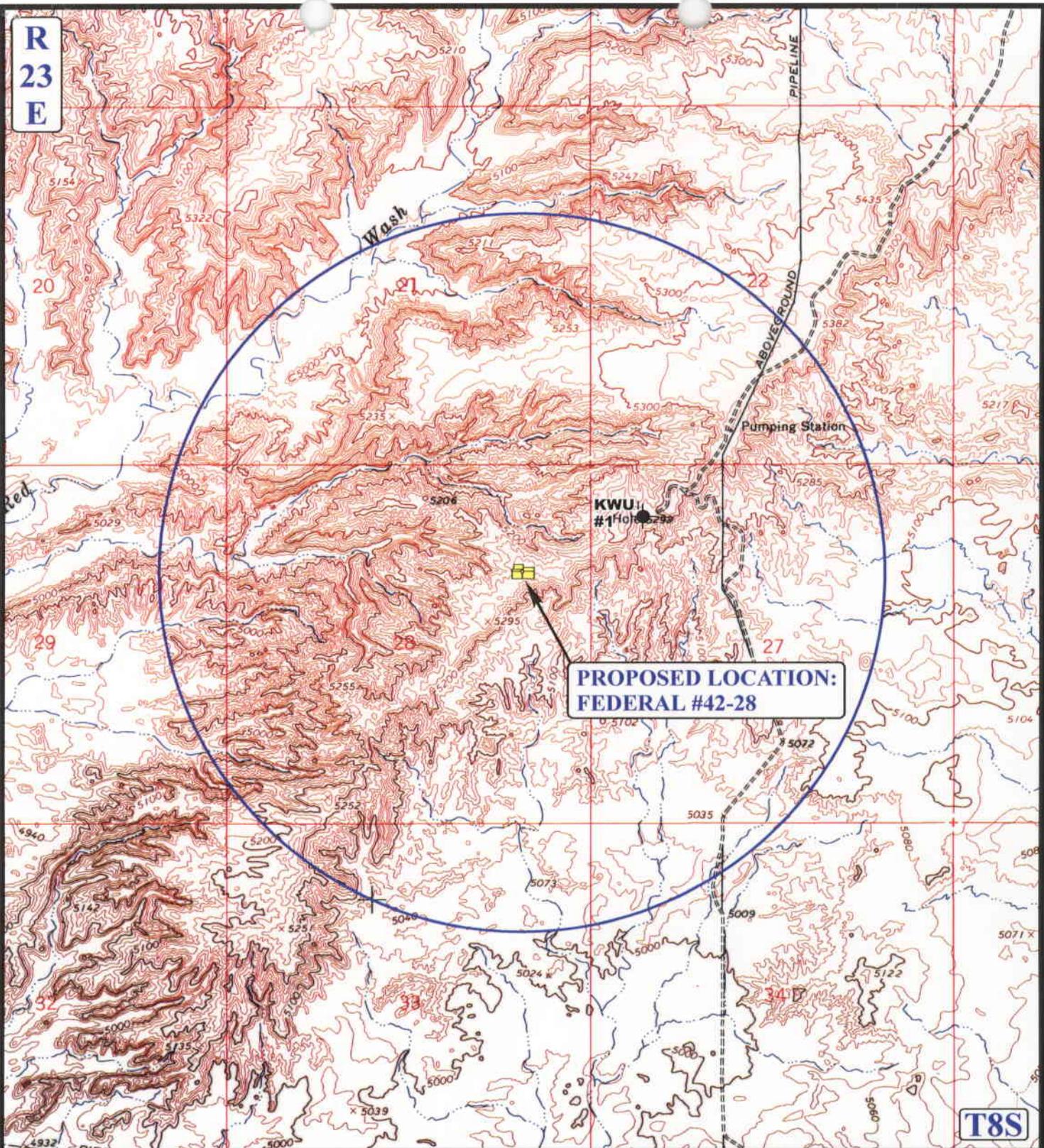
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 09 01 03
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

B
TOPO

R
23
E



LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

EnCana OIL & GAS (USA) INC.

FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

09 MONTH
01 DAY
03 YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

004

APD RECEIVED: 10/01/2003

API NO. ASSIGNED: 43-047-35263

WELL NAME: FEDERAL 42-28
 OPERATOR: ENCANA OIL & GAS INC (N2175)
 CONTACT: JUDITH WALTER

PHONE NUMBER: 720-956-3702

PROPOSED LOCATION:

SENE 28 080S 230E
 SURFACE: 1576 FNL 0988 FEL
 BOTTOM: 1576 FNL 0988 FEL
 UINTAH
 UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-64422
 SURFACE OWNER: 1 - Federal

LATITUDE: 40.09668
 LONGITUDE: 109.32562

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0004733)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2162)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

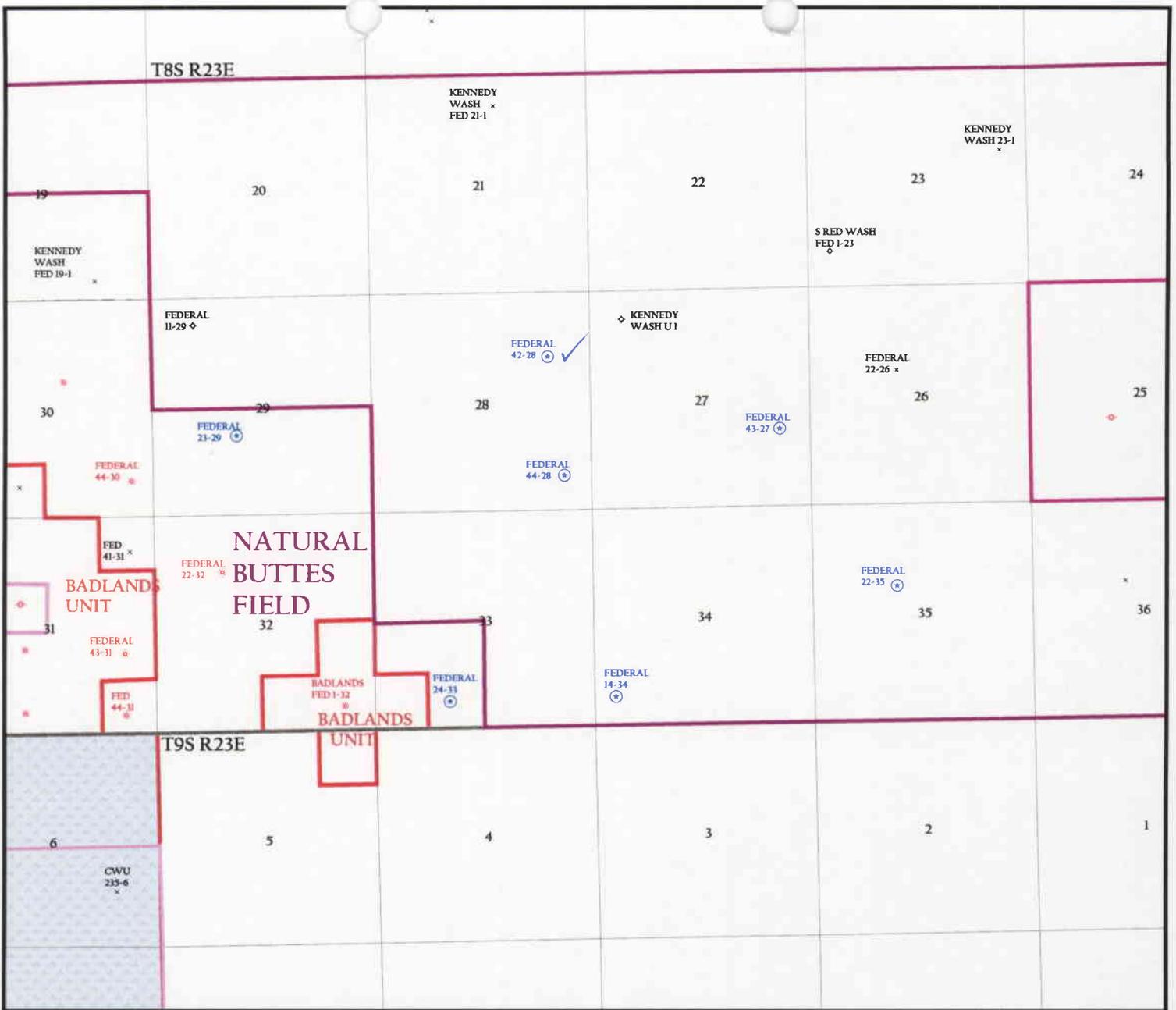
LOCATION AND SITING:

- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal approval

2- Spacing Strip



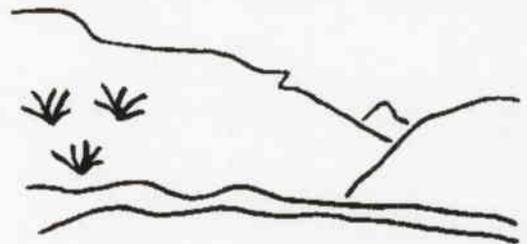
OPERATOR: ENCANA O&G INC (N2175)

SEC. 28 T.8S, R.23E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

Wells

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA MASON
DATE: 3-OCTOBER-2003

**EnCana Oil & Gas (USA) Inc.**

950 17th Street
 Suite 2600
 Denver CO USA 80202

tel: (303) 623-2300
 fax: (303) 623-2400

www.encana.com

October 24, 2003

State of Utah
 Department of Natural Resources
 Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Salt Lake City, Utah 84114-5801

RE: APD – Exception Location Request
 Federal 42-28
 SENE, Sec. 28, T8S, R23E

Gentlemen,

EnCana Oil & Gas (USA) Inc. hereby respectfully requests to permit the above referenced location as an exception to rule R649-3-2 due to topography.

Pursuant to rule R649-3-3 3, enclosed please find a plat showing the location with a 460' radius circle and ownership of oil and gas within the entire section.

Pursuant to rule R649-3-3 3.4 the following are a list of owners within a 460' radius circle:

<u>Owner</u>	<u>Type of Interest</u>	<u>Percentage</u>
EnCana Oil & Gas (USA) Inc.	Leasehold	100%
USA	Mineral (Lease UTU-64422)	100%

If you have any further questions please contact me at 720-956-3702.

Sincerely,

Judith A. Walter
 Permitting/ Regulatory Analyst
 Cc: Well File
 Correspondence

RECEIVED

OCT 2 / 2003

DIV. OF OIL, GAS & MIN.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

October 27, 2003

EnCana Oil & Gas (USA) Inc.
950 17th St., Suite 2600
Denver, CO 80202

Re: Federal 42-28 Well, 1576' FNL, 988' FEL, SE NE, Sec. 28, T. 8 South, R. 23 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35263.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EnCana Oil & Gas (USA) Inc.

Well Name & Number Federal 42-28

API Number: 43-047-35263

Lease: UTU-64422

Location: SE NE Sec. 28 T. 8 South R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

007

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-64422

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:
NA

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Federal 42-28

2. NAME OF OPERATOR:
EnCana Oil & Gas (USA) Inc.

9. API NUMBER:
4304735263

3. ADDRESS OF OPERATOR:
950 17th St., #2600 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(720) 956-3702

10. FIELD AND POOL, OR WILDCAT:
Undesignated

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1576' FNL, 988' FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 28 8S 23E

COUNTY: Uintah

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Location Layout & Cut & Fill exhibit</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Per the on-site inspection with the BLM on Sept. 30, 2003, the layout was changed please see the attached Location Layout & Typical Cross Section (cut & fill diagram) for the above mentioned well.

They are different from what was originally filed with the APD.

RECEIVED

DEC 11 2003

DIV. OF OIL, GAS & MINING

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR FIELD USE ONLY

NAME (PLEASE PRINT) Judith A. Walter

TITLE Regulatory/Permitting Anayst

SIGNATURE *Judith A. Walter*

DATE 12/8/2003

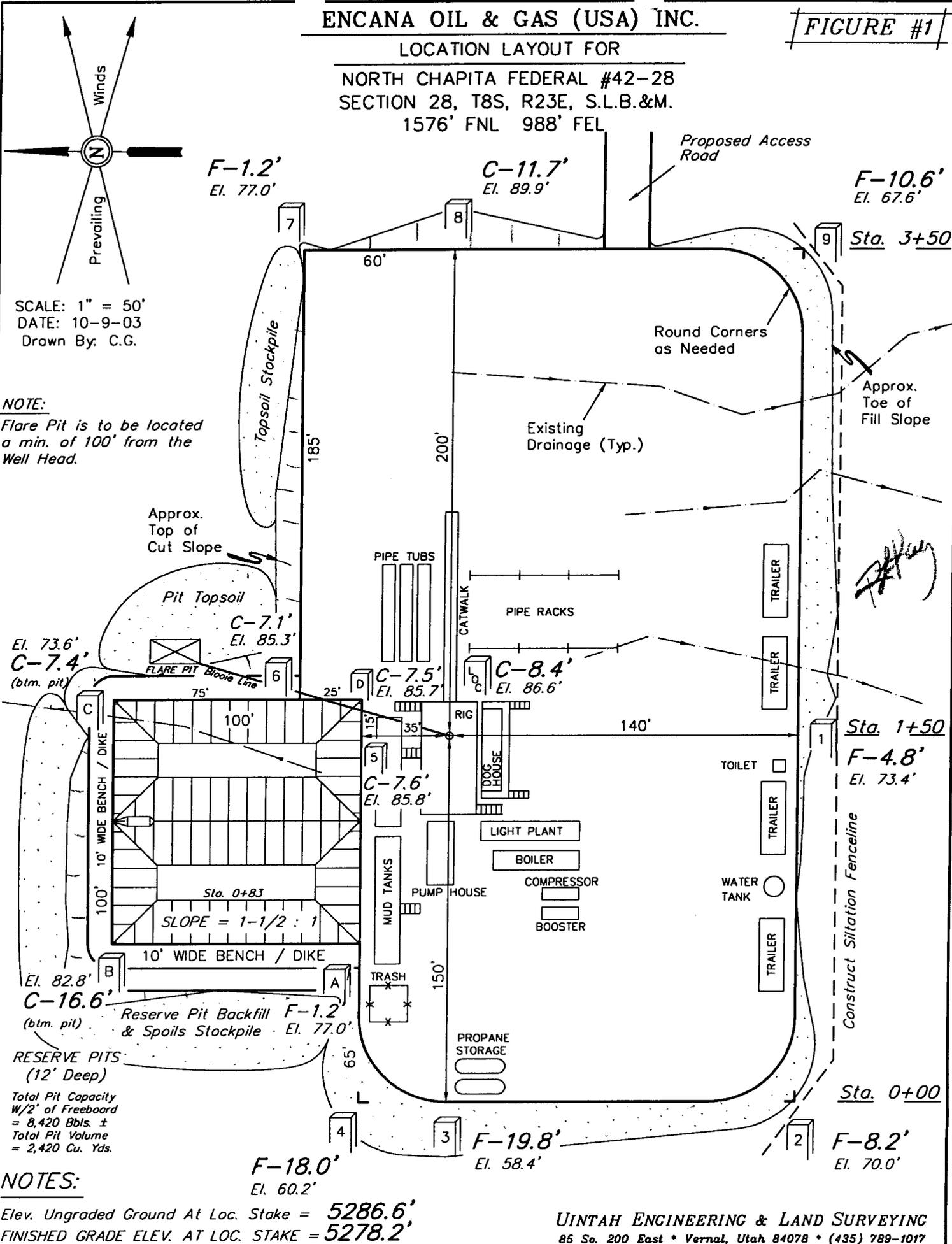
(This space for State use only)

ENCANA OIL & GAS (USA) INC.

FIGURE #1

LOCATION LAYOUT FOR

NORTH CHAPITA FEDERAL #42-28
SECTION 28, T8S, R23E, S.L.B.&M.
1576' FNL 988' FEL



SCALE: 1" = 50'
DATE: 10-9-03
Drawn By: C.G.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

El. 73.6'
C-7.4'
(btm. pit)

El. 82.8'
C-16.6'
(btm. pit)

RESERVE PITS:
(12' Deep)
Total Pit Capacity
W/2' of Freeboard
= 8,420 Bbls. ±
Total Pit Volume
= 2,420 Cu. Yds.

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5286.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5278.2'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ENCANA OIL & GAS (USA) INC.

TYPICAL CROSS SECTIONS FOR
 NORTH CHAPITA FEDERAL #42-28
 SECTION 28, T8S, R23E, S.L.B.&M.
 1576' FNL 988' FEL

J.P. King

1" = 20'
 X-Section Scale
 1" = 50'

DATE: 10-9-03
 Drawn By: C.G.

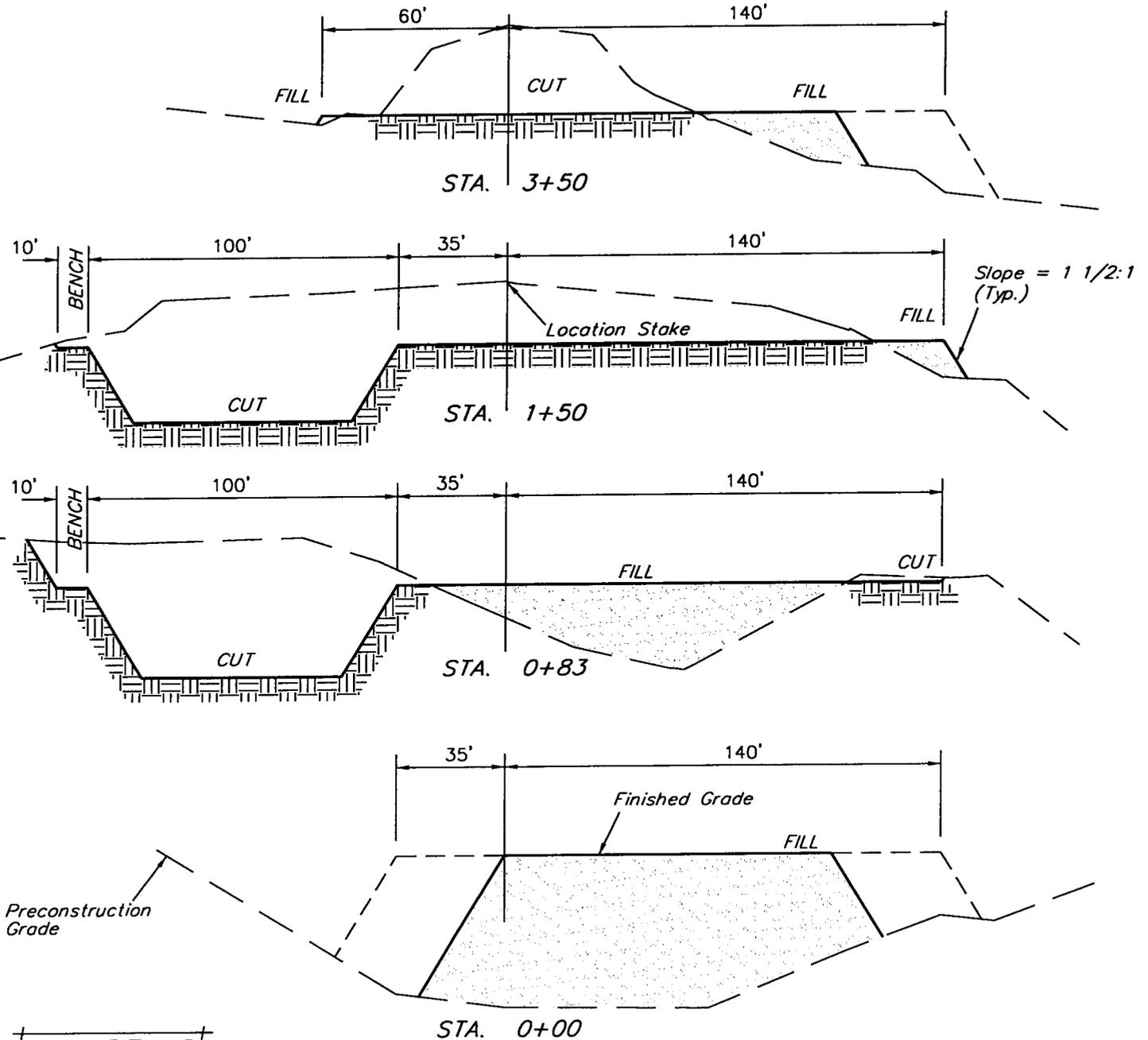


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,460 Cu. Yds.
Remaining Location	= 12,840 Cu. Yds.
TOTAL CUT	= 14,300 CU.YDS.
FILL	= 11,080 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,640 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,640 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



State of Utah

Department of
Natural ResourcesROBERT L. MORGAN
*Executive Director*Division of
Oil, Gas & MiningMARY ANN WRIGHT
*Acting Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

January 14, 2005

Judith Walter
Encana Oil & Gas Inc.
950 17TH Street
Suite 2600
Denver CO 80202Re: APD Rescinded – Federal 42-28, Sec. 28, T. 8S, R. 23E –
Uintah County, Utah API No. 43-047-35263

Dear Ms. Walter:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 27, 2003. On January 13, 2005, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 13, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,



Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

February 8, 2005

Judith Walter
Encana Oil & Gas (USA) Inc.
950 17th Street, Suite 2600
Denver, CO 80202

43-047-35263
Re: Notification of Expiration
Well No. Federal 42-28
SENE, Sec. 28, T8S, R23E
Uintah County, Utah
Lease No. UTU-64422

Dear Ms. Walter:

The Application for Permit to Drill the above-referenced well was approved on February 6, 2004. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Wilcken

Leslie Wilcken

Legal Instruments Examiner

RECEIVED

FEB 14 2005

DIV. OF OIL, GAS & LEASES

cc: UDOGM