

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 30-045-35313	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. V079180000, V089410000, B-10889	
7. Lease Name or Unit Agreement Name Escrito P16-2409	
8. Well Number 01H	
9. OGRID Number 282327	
10. Pool name or Wildcat Bisti-Lower Gallup	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Encana Oil & Gas (USA) Inc.	
3. Address of Operator 370 17 th Street, Suite 1700 Denver, CO 80202	
4. Well Location SHL: Unit Letter <u>P</u> : <u>700</u> feet from the <u>S</u> line and <u>333</u> feet from the <u>E</u> line BHL: Unit Letter <u>M</u> : <u>699</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line Section 16 Township 24N Range 9W NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6827 GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: Project Area Change ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Encana Oil & Gas (USA) Inc. would like to adjust the project area for the Escrito P16-2409 01H well per Administrative Non-Standard Proration Unit Order NSP-1962 approved by the New Mexico Oil Conservation Division March 27, 2013. Said order allows for the project area for said well to be increased from the previously permitted a 160-acre project area to a 320-acre project area. Attached please find a revised Ad-Drilled C-102 and a copy of NSP-1962.

RCVD JUL 12 '13
OIL CONS. DIV.
DIST. 3

Spud Date: 03/03/12

Rig Release Date: 04/11/12

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Holly Hill TITLE Regulatory Analyst
Type or print name: Holly Hill E-mail address: holly.hill@encana.com

DATE _____
PHONE: 720-876-5331

For State Use Only

APPROVED BY: Wm F. Ar TITLE _____
Conditions of Approval (if any): AV

Deputy Oil & Gas Inspector,
District #3

DATE JUL 18 2013

District I
1625 N. French Dr., Hobbs, NM 88240
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to
appropriate
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35313		² Pool Code 5890		³ Pool Name BISIT LOWER-GALLUP	
⁴ Property Code 38846		⁵ Property Name ESCRITO P16-2409			⁶ Well Number 01H
⁷ OGRID No. 282327		⁸ Operator Name ENCANA OIL & GAS (USA) INC.			⁹ Elevation 6823'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	24-N	9-W		700'	SOUTH	333'	EAST	SAN JUAN

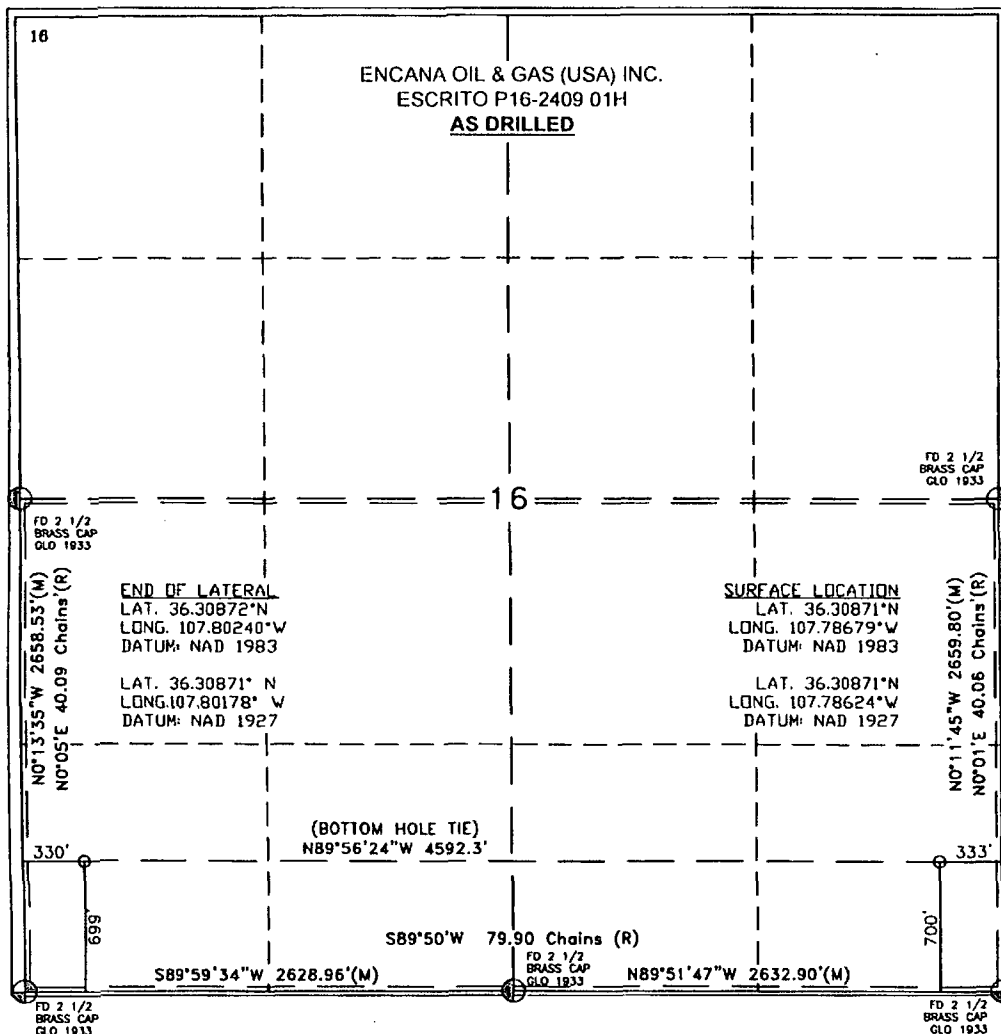
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	24-N	9-W		699'	SOUTH	330'	WEST	SAN JUAN

¹² Dedicated Acres 320 ACRES - (S/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.	RCVD JUL 12 '13 OIL CONS. DIV.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

DIST. 3



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Holly Hill 3/25/12
Signature Date
Holly Hill
Printed Name
holly.hill@encana.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

25 APRIL 2012

Date of Survey
Signature and Seal of Professional Surveyor:

WILLIAM E. MAHNKE III
#8466
WILLIAM E. MAHNKE III
Certificate Number 8466
PROFESSIONAL LAND SURVEYOR

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



March 27, 2013

Encana Oil & Gas (USA) Inc.
c/o Holland & Hart LLP
Attn: Mr. Michael H. Feldewert

RCVD JUL 12 '13
OIL CONS. DIV.
DIST. 3

ADMINISTRATIVE NON-STANDARD PRORATION UNIT ORDER

Administrative Order NSP-1962
Administrative Application Reference No. pPRG1306032563

Encana Oil & Gas (USA) Inc.
OGRID 282327

Subject Pool: Bisti; Lower Gallup (Pool Code 5890)

**Subject Units: E/2 SE/4, W/2 SE/4, E/2 SW/4 and W/2 SW/4 of Section 16,
Township 24 North, Range 9 West, San Juan County, New Mexico**

Reference is made to your application received on February 28, 2013.

You have requested an exception to Rule 2 of the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool, as adopted by Order No. R-1069-B, issued on January 17, 1958, to approve two non-standard, 80-acre oil spacing and proration units described above as the Subject Units. The said Rule provides that a standard spacing unit in the Subject Pool shall comprise 80 acres and consist of the N/2 or S/2 of a quarter section. Each of the proposed Subject Units comprises 80 acres, but is non-standard because each such unit consists of the E/2 or W/2 of a quarter section rather than the N/2 or S/2.

Your application has been duly filed under the provisions of Rule 4 of the said Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool.

We understand that you are seeking this exception in order to maintain the ownership interests in wells already drilled, as provided in an existing Communitization Agreement.

It is also understood that you have given due notice of this application to all persons to whom notice is required by Rule 4 of the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool.

Pursuant to the authority conferred by said Rule, the Subject Units are hereby approved.

The Subject Units shall be dedicated, as a project area, to the following wells:

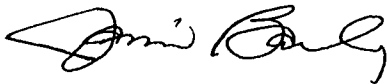
Escrito I-16-2409 Well No. 1H (API No. 30-045-35362) having a surface location 2230 feet FSL and 300 feet FEL (Unit I) and a bottom hole location 2230 feet FSL and 330 feet FWL (Unit L) of Section 16; and

Escrito P-16-2409 Well No. 1H (API No. 30-045-35313) having a surface location 700 feet FSL and 333 feet FEL (Unit P) and a bottom hole location 699 feet FSL and 330 feet FWL (Unit M) of Section 16.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized, cursive script.

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
New Mexico State Land Office