

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources

CONFIDENTIAL

Form C-101
Revised October 25, 2012

Oil Conservation Division

☐ AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address ENCANA OIL & GAS (USA) INC. 370 17 TH STREET, SUITE 1700 DENVER, CO 80202		2. OGRID Number 282327
3. Property Code 40373		4. APT Number 30-043-21192
5. Property Name Lybrook K32-2306		6. Well No. 01

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
SHL: K	32	23N	6W		2365	SOUTH	2616	WEST	SANDOVAL

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
BHL: K	32	23N	6W		2365	SOUTH	2616	WEST	SANDOVAL

9. Pool Information

LYBROOK GALLUP (42289)	RCVD JAN 27 '14 OIL CON. DIV. DIST. 3
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Additional Well Information

11. Work Type N	12. Well Type O	13. Cable/Rotary R	14. Lease Type S	15. Ground Level Elevation 7155'
16. Multiple N/A	17. Proposed Depth 5755' TVD / MD	18. Formation GALLUP	19. Contractor AZTEC	20. Spud Date 04/15/2014
Depth to Ground water UNKNOWN		Distance from nearest fresh water well GREATER THAN 5280'		Distance to nearest surface water ~6500'

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
CONDUCTOR	30"	20"	94#	60'	100	SURFACE
SURFACE	12 1/4"	9 5/8"	36#	480'	201	SURFACE
PRODUCTION	7 7/8"	4 1/2"	11.6#	5755'	933	SURFACE

Casing/Cement Program: Additional Comments

VERTICAL IN THE GALLUP FORMATION, CEMENTING TO SURFACE FOR EACH STRING. WATER BASED MUD SYSTEM THROUGHOUT.
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
ANNULAR	3000	1500	TBD
DOUBLE RAM	3000	3000	TBD

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

I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable. NO DRILLING PIT WILL BE USED

Signature: *Katie Wegner*

Printed name: Katie Wegner

Title: Regulatory Analyst

E-mail Address: Kathryn.Wegner@encana.com

Date: 1/23/2014

Phone: 720-876-3989

OIL CONSERVATION DIVISION

Approved By:

Charles Berre

Title: SUPERVISOR DISTRICT # 2

Approved Date: 1-31-2014

Expiration Date: 1-31-2016

Conditions of Approval Attached

HOLD C104 FOR NSE

AV

JAN 31 2014 ca

NOTIFY AZTEC UDD 24 HRS PRIOR TO CASING & CEMENT

Hold C104 for Directional Survey and "As Drilled" plat

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-043-21192		2 Pool Code 42289	3 Pool Name LYBROOK GALLUP
4 Property Code 40373	5 Property Name LYBROOK K32-2306		6 Well Number 01
7 OGRID No. 282327	8 Operator Name ENCANA OIL & GAS (USA) INC.		9 Elevation 7158.0'

¹⁰ Surface Location

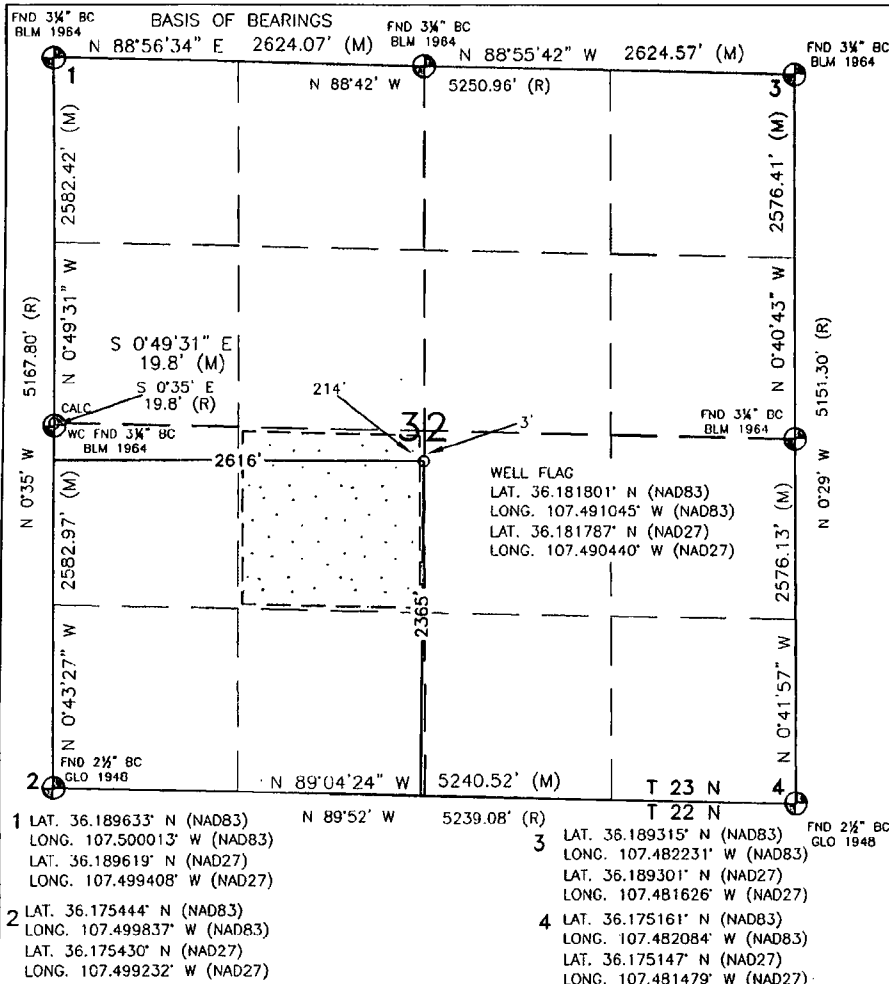
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	WEST/West line	County
K	32	23N	6W		2365'	SOUTH	2616'	WEST	SANDOVAL

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	WEST/West line	County
¹³ Dedicated Acres 40.00 ACRES NE/4 SW/4 SEC. 32			¹⁵ Joint or Infill		¹⁴ Consolidation Code		¹⁶ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

18



18	17	OPERATOR CERTIFICATION
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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.

Signature Date

Signature Katie Wegner
Printed Name

Katie.Wegner@encana.com

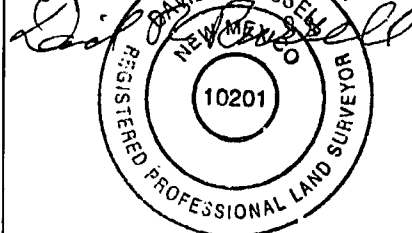
SURVEYOR CERTIFICATION

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.

DECEMBER 3, 2013

Date of Survey

Signature and Seal of Professional Surveyor:



DAVID RUSSELL

Certificate Number

10201

ENCANA OIL & GAS (USA) INC.
LYBROOK K32-2306 #01
2365' FSL & 2616' FWL
LOCATED IN THE NE/4 SW/4 OF SECTION 32,
T23N, R6W, N.M.P.M.,
SANDOVAL COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, DRIVE SOUTH ON 550 FOR 50.7 MILES (M.P. 100.9).
- 2) TURN RIGHT AND GO 2.1 MILES TO "T" INTERSECTION.
- 3) CONTINUE RIGHT AND GO 1.0 MILE TO GATE / "Y" INTERSECTION.
- 4) CONTINUE RIGHT AND 0.3 MILES.
- 5) TURN RIGHT ON 2-TRACK THAT IS ACCESS TO BE UPGRADED, FOLLOW 0.5 MILES TO PROPOSED WELL PAD.

WELL FLAG LOCATED AT LAT. 36.181801° N, LONG. 107.491045° W (NAD 83).



LOC: Sec 12-T23N-R6W County: New Mexico WELL: Lybrook K32-2306 01			Encana Natural Gas WELL SUMMARY						ENG: S Kuykendall RIG: TBD GLE: Rig RKBE: 0		1/23/14
MWD LWD	OPEN HOLE LOGGING	FORM	DEPTH TVDMD			HOLE SIZE	CASING SPECS	MW MUD TYPE	DEVIATION INFORMATION		
			60	60'		30	20" 94# 100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2			
Near hard line take survey every stand		Nacimiento Fn.	202 500	500		12 1/4	9 5/8" 36ppf J55 STC TOC @ surface 201 sks Type III Cmt	Fresh wtr 8.4-8.6	Vertical <1°		
Near hard line take survey every stand	Gamma	Ojo Alamo Ss. Kirtland Shale Fruitland Coal Pictured Cliffs Ss. Lewis Shale Cliffhouse Ss. Menefee Fn. Point Lookout Ss. Mancos Shale Mancos Silt Gallup Fn. Base Gallup TD	1,408 1,610 1,767 2,000 2,127 2,851 3,522 4,274 4,462 5,010 5,279 5,605 5,755		Stage tool @ ~2075'	7 7/8	4 1/2" 11.6ppf SB80 LTC TOC @ surface 50% OH excess: 933 sksTotal. Stage 1 Lead: 578 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk. Stage 1 Tail: 355 sks Type III Cement + 1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield 1.38 cuft/sk. Stage 2: 295 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.	Fresh Wtr 8.5-8.8	Vertical <1°		