State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary-Designate

Jami Bailey, Division Director Oil Conservation Division



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

New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

API# $\frac{90-039-31-31}{}$, Section $\frac{14}{}$, Township $\frac{24}{}$ (N)S, Range $\frac{7}{}$ E(W)	14
Conditions of Approval: (See the below checked and handwritten conditions) Notify Aztec OCD 24hrs prior to casing & cement. Hold C-104 for directional survey & "As Drilled" Plat Hold C-104 for (NSL) NSP, DHC Plan to Spud, provid- Plan to Spud, pr	ile ilot of

- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

NMOCD Approved by Signature

Form 3160-3 (March 2012)

FORM APPROVED OMB No. 1004-0137 Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER 2014

5. Lease Serial No. NMNM 117567

6. If Indian, Allotee or Tribe Name

la. Type of work: DRILL REENTH	ER Bure	armington Field au of Land Ma	nagem	Pending	eement, Name and No.	
lb. Type of Well: Oil Well Gas Well Other	ole Zone	8. Lease Name and Escrito D14-2407		•		
2. Name of Operator Encana Oil & Gas (USA) Inc.	9. API Well No.	-31231				
3a. Address 370 17th Street, Suite 1700, Denver, CO 80202	10. Field and Pool, or Escrito Gallup (as	1 3				
4. Location of Well (Report location clearly and in accordance with an At surface 471' FNL and 564' FWL Section 14, T24N, R At proposed prod. zone 450' FNL 330' FWL Section 15, T2	7W	nents.*)		11. Sec., T. R. M. or E Section 14, T24N,	•	
14. Distance in miles and direction from nearest town or post office* +/- 65.3 miles from intersection of US Hwy 550 & US Hwy		field, NM		12. County or Parish Rio Arriba	13. State NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of a NMNM 11 acres	ncres in lease 7567- 1722.45	I -	g Unit dedicated to this s N/2 Section 15	OIL CONS. DIV	DIST. 3
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Escrito D14-2407 02H is +/- 30' SW of SHL	19. Propose 5846'TVD	d Depth , 11102'MD	20. BLM/I COB-00	BIA Bond No. on file	JUL 182	014
21. Elevations (Show whether DF, KDB, RT, GL, etc.)		mate date work will sta	rt*	23. Estimated duration	on	
GL 7029' KB 7045'	09/27/201	4		20 days		
	24. Atta					
The following, completed in accordance with the requirements of Onshor	re Oil and Gas	Order No.1, must be a	ttached to th	is form:		•
Well plat certified by a registered surveyor. A Drilling Plan.		Item 20 above).	-	ns unless covered by an	existing bond on file (see	
3. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).	Lands, the	5. Operator certific 6. Such other site BLM.		ormation and/or plans as	s may be required by the	
25. Signature Haw W	I	(Printed/Typed) Wegner			Date /2/14	
Title Regulatory Analyst						
Approved by (Signorure) Mankie wes	Name	(Printed/Typed)			Date 7/16/19	
Title AFM	Office	FF	- ن			
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equi	table title to those righ	ts in the sub	ject lease which would	entitle the applicant to	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr States any false, fictitious or fraudulent statements or representations as	to any matter y	Athin 48 Integiction C.	E OF TH	IS -	or agency of the United	
(Continued on page 2) ACTION DO	ES NOT	RELIEVE THE LEBTAINING ANY	COTHER		tructions on page 2)	
This action is action pursuant to	ation RE	EQUIRED FOR C NDIAN LANDS	PERAT	AUTHORIZED	OPERATIONS ARE SUBJECT TO WITH ATTACHED REQUIREMENTS"	

District I
1625 N. French Drive. Hobbs, NM 80240
Phone: (575) 393-6161
Pax: (575) 393-0720
Phone: (575) 748-1283
Phone: (575) 748-1283
Phone: (575) 748-1283
Phone: (575) 748-1283
Phone: (505) 334-5178
Phone: (505) 334-6170
Phone: (505) 476-3460
Phone: (505) 476-3460
Phone: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised August 1, 2011 Submit one copy to

Submit one copy to Appropriate District Office

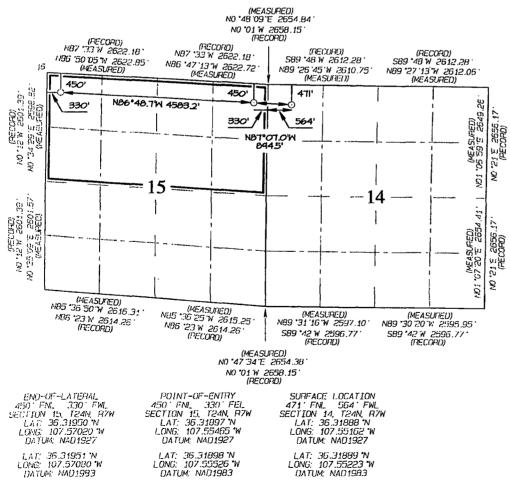
REGENTED

APR 14 2014

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

WELL LOCATION AND ACREAGE DEDICATION PLAT, Farmington Field Office Pool Name Sureau of Land Managethani Pool Code APT Number 30-039-31231 22619 ESCRITO GALLUP (ASSOCIATED) Property Code Property Name Well Number 3 ESCRITO D14-2407 01H Elevation OGRID No. *Operator Name 282327 ENCANA OIL & GAS (USA) INC 7029 ¹⁰ Surface Location Ut, or lat no. Lot Ido Feet from the Section Township North/South line Feat; from the East/West Line RIO NORTH \Box 14 24N 7W 471 564 WEST ARRIBA Bottom Hole Location If Different From Surface U. or lot ou. Lot Ide Section Township Feet from the North/South line Feet from the East/Nest Line RIC 7W D 15 24N 450 NORTH 330 WEST ARRIBA ¹² Dodicated Acres ¹³Joint or Infill ¹⁴ Consolidation Code Sorder No 320.0 Acres N/2 - Section 15

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



"OPERATOR CERTIFICATION "OPERATOR CEHTLE CATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and helief, 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 or was night to a contract with an owner of such a mineral or working interest, or to a voluntary booling agreement on a communismy pooling order nered one entered by the division. ignáture / Katie Wegn Printed Name Katie.Wegner@encana.com E-mail Address 18 SURVEYOR CERTIFICATION SUMVETUR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or croce my supervision, and that the same is true and correct to the best of my belief. Date Revised: MARCH 13, 2014 Date of Survey: JULY 3, 2012 Signature and Seal of Professional Surveyor C. EDWARDS JASON MEXICO **EW** POFESSION. SAME TOR Certificate Number

Escrito D14-2407 01H

SHL: NW NW 14 24N 7W

471 FNL 564 FWL

BHL: NW NW 15 24N 7W 450 FNL 330 FWL

Rio Arriba, New Mexico

Encana Oil & Gas (USA) Inc. Drilling Plan

1. ESTIMATED TOPS OF GEOLOGICAL MARKERS (TVD)

The estimated tops of important geologic markers are as follows:

Formation	Depth (TVD) units = feet
Nacimiento	355
Ojo Alamo Ss.	1,795
Kirtland Shale	1,985
Fruitland Coal	2,215
Pictured Cliffs Ss.	2,445
Lewis Shale	2,545
Cliffhouse Ss.	3,305
Menefee Fn.	4,057
Point Lookout Ss.	4,740
Mancos Shale	4,915
Mancos Silt	5,590
Gallup Fn.	5,785

The referenced surface elevation is 7029', KB 7045'

2. ESTIMATED DEPTH OF POTENTIAL WATER, OIL, GAS, & OTHER MINERAL BEARING FORMATIONS

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	2,215
Oil/Gas	Pictured Cliffs Ss.	2,445
Oil/Gas	Cliffhouse Ss.	3,305
Gas	Menefee Fn.	4,057
Oil/Gas	Point Lookout Ss.	4,740
Oil/Gas	Mancos Shale	4,915
Oil/Gas	Mancos Silt	5,590
Oil/Gas	Gallup Fn.	5,785

All shows of fresh water and minerals will be reported and protected.

3. PRESSURE CONTROL

- a) Pressure contol equipment and configuration will be designed to meet 2M standards.
- b) Working pressure on rams and BOPE will be 3,000 psi.
- c) Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- d) The Annular BOP will be pressure tested to a minimum of 50 percent of its rated working pressure.
- e) Blind and Pipe Rams/BOP will be tested against a test plug to 100 percent of rated working pressure.
- f) Pressure tests are required before drilling out from under all casing strings set and cemented in place.

Escrito D14-2407 01H SHL: NW NW 14 24N 7W 471 FNL 564 FWL

BHL: NW NW 15 24N 7W 450 FNL 330 FWL

Rio Arriba, New Mexico

- g) BOP controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned.
- 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 preventers.
- j) The kill line shall be 2-inch minimum and contain two kill line valves, one of which shall be a check valve.
- k) The choke line shall be a 2-inch minimum and contain two choke line valves (2-inch minimum).
- I) The choke and manifold shall contain two adjustable chokes.
- m) Hand wheels shall be installed on all ram preventers.
- n) Safety valves and wrenches (with subs for drill string connections) shall be available on the rig floor at all
- o) Inside BOP or float sub shall also be available on the rig floor at all times.

Proposed BOP and choke manifold arrangements are attached.

4. CASING & CEMENTING PROGRAM

The proposed casing and cementing program has been designed to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. All indications of useable water shall be reported.

a) The proposed casing design is as follows:

Casing	Depth (MD)	Hole Size	Csg Size	Weight	Grade
Conductor	0'-60'	30"	20"	94#	H40, STC New
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-6423'	8 3/4"	7"	26#	J55, LTC New
Production Liner	6223'-11102'	6 1/8"	4 1/2"	11.6#	B80*, LTC New

	Casir	ng String	g	Casing	Strength Pro	Minimum Design Factors			
Size	Weight	Grade	Connectio	Collapse Burst (psi) Tensile		Collapse	Burst	Tension	
	(ppf)		n	(psi)		(1000lbs)			
9 5/8"	36	J55	STC	2020	3520	394	1.125	1.1	1.5
7"	26	J55	LTC	4320	4980	367	1.125	1.1	1.5
4.5"	11.6	B80	LTC	6350	7780	201	1.125	1.1	1.5

^{*}B80 pipe specifications are attached

Casing design is subject to revision based on geologic conditions encountered

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1,500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

Escrito D14-2407 01H

SHL: NW NW 14 24N 7W

471 FNL 564 FWL

BHL: NW NW 15 24N 7W

450 FNL 330 FWL Rio Arriba, New Mexico

b) The proposed cementing program is as follows

Casing	Depth	Cement Volume	Cement Type & Yield	Designed	Centralizers
	(MD)	(sacks)	<u> </u>	тос	
Conductor	0'-60'	100 sks	Type I Neat 16 ppg	Surface	None
Surface	0'-500'	201 sks	Type III Cement + 1%	Surface	1 per joint on
			CaCl + 0.25lb/sk Cello		bottom 3 joints
			Flake + 0.2% FL, 16ppg,		
			1.38cuf/sk		
Intermediate	0'-6423'	30% open hole excess	Lead (Stages 1 and 2):	Surface	1 every 3 joints
		Stage 1 Lead:	PremLite + 3% CaCl +		through water
		468 sks	0.25lb/sk CelloFlake +		bearing zones
		Stage 1 Tail:	5lb/sk LCM, 12.1ppg		
		275 sks	2.13cuft/sk	[
		Stage 2 Lead:	Tail (Stage 1): Type III		
		232 sks	Cmt + 1% CaCl +		
			0.25lb/sk Cello Flake	!	
			14.5ppg 1.38cuft/sk		
Production	6223'-	None - External Casing	N/A	N/A	N/A
Liner	11102'	Packers			

^{*}Production liner clarification: Utilizing external swell casing packer system for zonal isolation will not use cement in the production liner

Actual volumes will be calculated and determined by conditions onsite. All cement slurries will meet or exceed minimum BLM and New Mexico Oil Conservation Division requirements. Slurries used will be the slurries listed above or equivalent slurries depending on service provider selected. Cement yields may change depending on slurries selected

All waiting on cement times shall be a minimum of 8 hours or adequate to achieve minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. WELL PLAN & DIRECTIONAL DRILLING PROGRAM

The proposed horizontal well will have a kick off point of 5299'. Directional plans are attached.

Γ	Description	Proposed Depth (TVD/MD)	Formation
Γ	Horizontal Lateral TD	5846'/11102'	Gallup

6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

			Density	Viscosity	
Holie Size (in)	Depth (TVD/MD)	Mud Type	(ppg)	(sec/qt)	Fluid Loss (cc)
30"	0-60'/60'	Fresh Water	8.3-9.2	38-100	4-28
12 1/4"	0'-500'/500'	Fresh Water	8.4-8.6	60-70	NC
8 3/4"	500'/500'-5871'/6423	Fresh Water LSND	9.5-8.8	40-50	8-10

Escrito D14-2407 01H SHL: NW NW 14 24N 7W

471 FNL 564 FWL BHL: NW NW 15 24N 7W

450 FNL 330 FWL Rio Arriba, New Mexico

b) Intermediate Casing Point to TD:

Holie Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
	5871'/6423'-	Synthetic Oil			
6 1/8"	5846'/11102'	Based Mud	8.6-9.0	15-25	<15

c) There will be sufficient mud on location to control a blowout should one occur. Mud flow and volume will be monitored both visually and with electronic pit volume totalizers. Mud tests shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

d) A closed-loop system will be used to recover drilling fluid and dry cuttings in both phases of the well and on all hole intervals, including fresh water and oil-based operations. Above-ground tanks will be utilized to hold cuttings and fluids for rig operations. A frac tank will be on location to store fresh water. Waste will be disposed of properly at an EPA-approved hazardous waste facility. Fresh water cuttings will be disposed of at Basin Disposal, Inc. and/or Industrial Ecosystems, Inc. The location will be lined in accordance with the Surface Use Plan of Operations.

7. TESTING, CORING, & LOGGING

- a) Drill Stem Testing None anticipated.
- b) Coring None anticipated.
- c) Mudd Logging Mud loggers will be on location from kick off point to TD.
- d) Logging See below

Cased Hole:

CBL/CCL/GR/VDL will be run as needed for perforating control

8. ABNORMAL PRESSURES & HYDROGEN SULFIDE

The anticipated bottom hole pressure is +/- 2750 psi based on a 9.0 ppg at 5875' TVD of the horizontal lateral target. No abnormal pressure or temperatures are anticipated.

No hydrogen sulfide gas is anticipated, however, if H_2S is encountered, the guidelines in Onshore Order No. 6 will be followed.

9. ANTICIPATED START DATE AND DURATION OF OPERATIONS

Drilling is estimated to commence on January 1, 2015. It is anticipated that completion operations will begin within 30 days after the well has been drilled depending on fracture treatment schedules with various pumping service companies.

It is anticipated that the drilling of this well will take approximately 20 days.

LOC: NE/4		7W 450 FNL 330		En	cana N	latural Gas				ENG: S Kuykendall	4/2/14
WELL: Escrito D14-2407 01H		01Н			WELL S	UMMARY		i		RIG: Aztec 950 GLE: 7029 RKBE: 7045	
MWD	OPEN HOLE		DEPTH				нс	LE	CASING	MW	DEVIATION
LWD	LOGGING	FORM	TVD	MD			SI	ZE	SPECS	MUD TYPE	INFORMATION
		,	60	60'			3	10	20" 94# 100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2	
Multi-Well pad - take survey every stand and run anti-	None	,					12	1/4	9 5/8" 36ppf J55 STC	Fresh wtr 8,4-8,6	Vertical <1°
collision report prior to spud		Nacimiento 9 5/8" Csg	355 500	500,00					TOC Surface - 201 sks of Type III Cement		
	No OH logs	Ojo Alamo Ss, Kirtland Shale Fruitland Coal	1,795 1,985 2,215			•			7" 26ppf J55 LTC	Fresh Wtr	Vertical
Survey Every 60'-120', updating anticollision report after		Pictured Cliffs Ss. Lewis Shale Cliffhouse Ss.	2,445 2,545 3,305			Stage tool @ ~ 2	,595 8	3/4	TOC @ surface 30% OH excess: 742 sksTotal.	8.5-8.8	<1°
surveys. Stop operations and contact drilling		Menefee Fn. Point Lookout Ss.	4,740						Stage 1 Lead: 468 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Celto Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-		
engineer if separation factor approaches 1.5		Mancos Shale	4,915						52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.		
1.3	Mud logger onsite	кор	5,299	5,299					Stage 1 Tail: 275 sks Type III Cement + 1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield 1.38 cufl/sk.		
Surveys every 30' through the curve		Mancos Silt	5,590						Stage 2: 168 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A		
		Gallup Fn.	5,785						+ 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cufl/sk.		
		7" Csg	5,871	6,423		 	$/\!\!\!/$				Uses Is affilia
Surveys every stand to TD		Horizontal Target	5,875 5,846	11,102		į '	\ <u></u>	1/8	200' overlap at liner top	Horizontal Inclination Horizontal TVD 8,6-9,0 OBM	Horz Inc/TVD /90.3 TD = 11102.1 MD
unless directed otherwise by Geologist	No OH Lags	Base Gallup	6,100	.,,					4 1/2" 11.6ppf SB80 LTC	Switch to OBM 8.6-9.0	11102.1 HIL
MWD Gamma Directional		Pilot Hole TD	6,400	6400	 	.!	;		Running external swellable csg packers for isolation of prod string Plan on setting top packer within 100' of intermediate casing shoe		

- NOTES:
 1) Drill with 30" bit to 60', set 20" 94# conductor pipe
 2) Drill surface to 500', R&C 9 5/8" casing
 3) N/U BOP and surface equipment
 4) Drill to Pilot Hole TD, 8 3/4 inch hole size
 5) PU directional tools and drill from KOP of 5299', at 10deg/100' build rate with 8 3/4 inch holesize
 6) Drill to csg point of 6423' MD
 7) R&C 7" csg, circ cml to surface, switch to OBM
 8) Land at 90 deg, drill lateral to 11102' run 4 1/2 inch liner with external swellable csg packers



Boomerang Tube LLC

CASING (OR) TUBING DESCRIPTION AND PERFORMANCE PROPERTIES

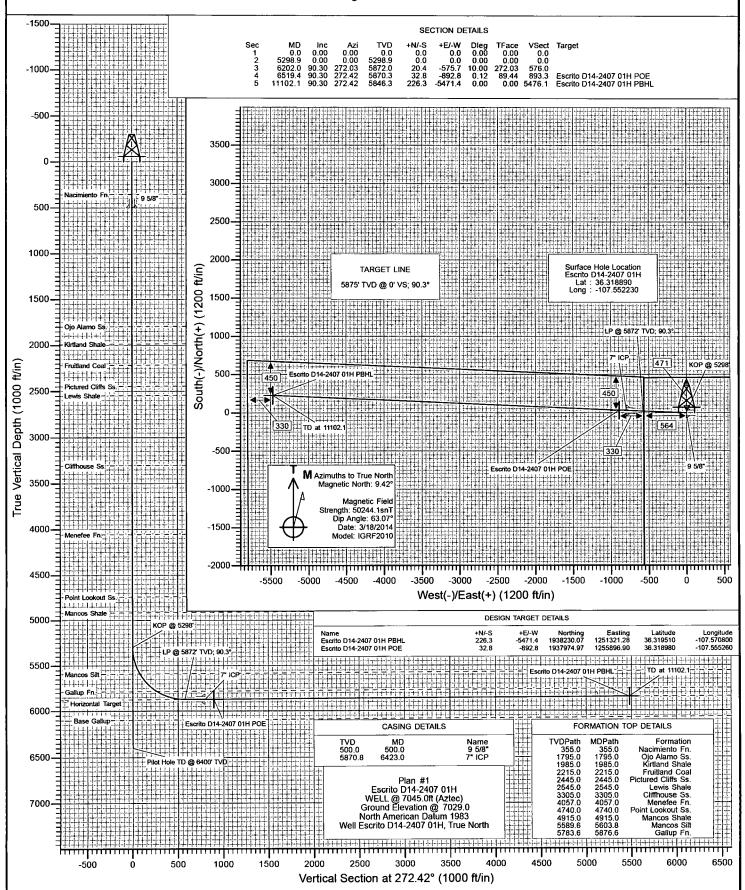
Pipe Outside Diameter (ins) Pipe Wall Thickness (ins) Nominal Weight Per Foot (lbs)	4.500 0.250 11.60
Thread Name Long Grade Name	Thread CSG SB-80
Pipe Minimum Yield (psi) Pipe Minimum Ultimate (psi)	
Coupling Minimum Yield (psi) Coupling Minimum Ultimate (psi)	80,000 100,000
Coupling or Joint Outside Diameter (ins) Drift Diameter (ins) Plain End Weight per Foot (lbs)	5.000 3.875 11.36
Joint Strength (lbs) Internal Yield (psi) Collapse Rating (psi)	201,000 7,780 6,350
MAXIMUM DEPTH/LENGTH BASED ON MUD WTS & SAFETY FACTORS	
Drilling Mud Weight (ppg)	9.625
Tension Safety Factor Maximum Tension Length (ft)	1.80 9,630
Internal Yield Safety Factor Maximum Depth for Internal Yield (ft)	1.10 14,150
Collapse Safety Factor Maximum Collapse Depth (ft)	1.125 11,290
API RELATED VALUES and INTERMEDIATE CALCULATION RESULTS	
Coupling Thread Fracture Strength Pipe Thread Fracture Strength (lbs)	464,000 201,000
Pipe Body Plain End Yield (lbs) Round Thread Pull-Out (lbs)	267,000 219,000
Minimum Make-up Torque (ft-lbs) Nominal Make-up Torque (ft-lbs) Maximum Make-up Torque (ft-lbs)	1,640 2,190 2,740
Coupling Internal Yield (psi) Pipe Body Internal Yield (psi) Leak @ E1 or E7 plane (psi)	10,660 7,780 17,920
Pipe Hydrostatic Test Pressure @ 80 % SMYS	7,100



Project: Rio Arriba County, NM Site: S14-T24N-R7W Well: Escrito D14-2407 01H

Wellbore: HZ
Design: Plan #1





Database: USA EDM 5000 Multi Users DB Local Co-ordinate Reference: Well Escrito D14-2407 01H EnCana Oil & Gas (USA) Inc. Company: WELL @ 7045.0ft (Aztec) TVD Reference: Rio Arriba County, NM Project: MD Reference: WELL @ 7045.0ft (Aztec) S14-T24N-R7W Site: North Reference: Well: Escrito D14-2407 01H **Survey Calculation Method:** Minimum Curvature Wellbore: ΗZ Plan #1 Design:

Project Rio Arriba County, NM

Map System: US State Plane 1983 System Datum: Mean Sea Level

Geo Datum: North American Datum 1983

Map Zone: New Mexico Central Zone

Site S14-T24N-R7W Site Position: Northing: 1,937,930.17 ft Latitude: 36.318890 From: Lat/Long Easting: 1,256,789.12ft Longitude: -107.552230 Position Uncertainty: 0.0 ft Slot Radius: 13.200 in **Grid Convergence:** -0.77

Well Escrito D14-2407 01H **Well Position** +N/-S 0.0 ft Northing: 1,937,930.17 ft Latitude: 36.318890 0.0 ft 1,256,789.12 ft +E/-W Easting: Longitude: -107.552230 **Position Uncertainty** 0.0 ft Wellhead Elevation: ft **Ground Level:** 7,029.0 ft

Wellbore HZ Dip Angle Magnetics Model Name Declination Field Strength Sample Date (nT) (°) (°) IGRF2010 3/18/2014 9.42 50,244 63.07

Design Plan #1 **Audit Notes:** PLAN 0.0 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (°) (ft) 0.0 0.0 0.0 272.42

		Turn	Build	Dogleg			Vertical			Measured
Target	TFO (°)	Rate (°/100ft)	Rate (°/100 ft)	Rate (°/100ft)	+E/-W (ft)	+N/-S (ft)	Depth (ft)	Azimuth (°)	Inclination (°)	Depth (ft)
and the state of t	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
	0.00	0.00	0.00	0.00	0.0	0.0	5,298.9	0.00	0.00	5,298.9
	272.03	0.00	10.00	10.00	-575.7	20.4	5,872.0	272.03	90.30	6,202.0
Escrito D14-2407 01	89.44	0.12	0.00	0.12	-892.8	32.8	5,870.3	272.42	90.30	6,519.4
Escrito D14-2407 01	0.00	0.00	0.00	0.00	-5,471.4	226.3	5,846.3	272.42	90.30	11,102.1

Database: Company: USA EDM 5000 Multi Users DB

EnCana Oil & Gas (USA) Inc Rio Arriba County, NM

 Project:
 Rio Arriba County, NM

 Site:
 \$14-T24N-R7W

 Well:
 Escrito D14-2407 01H

Wellbore: HZ Design: Plan #1 Local Co-ordinate Reference:

TVD Reference:

North Reference: Survey Calculation Method: Well Escrito D14-2407 01H

WELL @ 7045.0ft (Aztec) WELL @ 7045.0ft (Aztec)

True

Minimum Curvature

Measured Depth (ft)	Inclination	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations		,
0.0	0.00						0.00	0.00		~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	
0.0 100.0	0.00	0.00 0.00	0.0 100.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00			
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00			
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00			
355.0	0.00	0.00	355.0	0.0	0.0	0.0	0.00		Nacimiento Fn.		
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00			
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00		9 5/8"		
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0 0.0		
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00			
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00			
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00			
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00			
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00			
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00			
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00			
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00			
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00			
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00			
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00			
1,795.0	0.00	0.00	1,795.0	0.0	0.0	0.0	0.00	0.00	Ojo Alamo Ss.		
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00			
1,900.0	0.00	0,00	1,900.0	0.0	0.0	0.0	0.00	0.00			
1,985.0	0.00	0.00	1,985.0	0.0	0.0	0.0	0.00	0.00	Kirtland Shale		
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00			
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00			
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00			
2,215.0	0.00	0.00	2,215.0	0.0	0.0	0.0	0.00	0.00	Fruitland Coal		
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00			
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00			
2,445.0	0.00	0.00	2,445.0	0.0	0.0	0.0	0.00	0.00	Pictured Cliffs Ss.		
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00			
2,545.0	0.00	0.00	2,545.0	0.0	0.0	0.0	0.00		Lewis Shale		
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00			
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00			
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00			
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00			
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00			
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00			
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00			
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00			
3,305.0	0.00	0.00	3,305.0	0.0	0.0	0.0	0.00		Cliffhouse Ss.		
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00			
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00			
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00			
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00			
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00			
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00			
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00			
4,057.0	0.00	0.00	4,057.0	0.0	0.0	0.0	0.00		Menefee Fn.		
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00			
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00			
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00			

Database: Company: USA EDM 5000 Multi Users DB

Company: Project: EnCana Oil & Gas (USA) Inc Rio Arriba County, NM

Site: Well: Wellbore:

Design:

S14-T24N-R7W Escrito D14-2407 01H

HZ Plan #1 Local Co-ordinate Reference:

TVD Reference:

North Reference: Survey Calculation Method: Well Escrito D14-2407 01H WELL @ 7045.0ft (Aztec)

WELL @ 7045.0ft (Aztec)

Minimum Curvature

nned Surve	•			en e					
Measured Depth (ft)	Inclination	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	
4,740.0	0.00	0.00	4,740.0	0.0	0.0	0.0	0.00	0.00	Point Lookout Ss.
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	
4,915.0	0.00	0.00	4,915.0	0.0	0.0	0.0	0.00	0.00	Mancos Shale
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	
5,298.9	0.00	0.00	5,298.9	0.0	0.0	0.0	0.00		KOP @ 5298'
5,300.0	0.11	272.03	5,300.0	0.0	0.0	0.0	10,00	10.00	-
5,400.0	10.11	272.03	5,399.5	0.3	-8.9	8.9	10.00	10.00	
5,500.0	20.11	272.03	5,495.9	1.2	-34.9	34.9	10.00	10.00	
5,600.0	30.10	272.03	5,586.3	2.7	-77.3	77.3	10.00	10.00	
5,603.8	30.48	272.03	5,589.6	2.8	-79.1	79.2	10.00		Mancos Silt
5,700.0	40.10	272.03	5,668.0	4.8	-134.6	134.7	10.00	10.00	mandod Cin
5,800.0	50.10	272.03	5,738.5	7.3	-205.3	205.5	10.00	10.00	
5,876.6	57.76	272.03	5,783.6	9.5	-267.2	267.3	10.00		Gallup Fn.
5,900.0	60.10	272.03	5,795.7	10.2	-287.2	287.4	10.00	10.00	
6,000.0	70.10	272.03	5,837.7	13.4	-377.7	378.0	10.00	10.00	
6,100.0	80.10	272.03	5,863.4	16.8	-474.2	474.5	10.00	10.00	
6,200.0	90.09	272.03	5,872.0	20.4	-573.6	574.0	10.00	10.00	
6,202.0	90.30	272.03	5,872.0	20.4	-575.7	576.0	10.00	10.00	LP @ 5872' TVD; 90.3°
6,300.0	90.30	272.15	5,871.4	24.0	-673.6	674.0	0.12	0.00	•
6,400.0	90.30	272.27	5,870.9	27.9	-773.5	774.0	0.12	0.00	
6,423.0	90.30	272.30	5,870.8	28.8	-796.5	797.0	0.12	0.00	7" ICP
6,500.0	90.30	272.40	5,870.4	32.0	-873.4	874.0	0.12	0.00	
6,519.4	90.30	272.42	5,870.3	32.8	-892.8	893.3	0.12	0.00	
6,600.0	90.30	272.42	5,869.9	36.2	-973.3	974.0	0.00	0.00	
6,700.0	90.30	272.42	5,869.4	40.4	-1,073.2	1,074.0	0.00	0.00	
6,800.0	90.30	272.42	5,868.8	44.6	-1,173.1	1,174.0	0.00	0.00	
6,900.0	90.30	272.42	5,868.3	48.9	-1,273.0	1,274.0	0.00	0.00	
7,000.0	90.30	272.42	5,867.8	53.1	-1,373.0	1,374.0	0.00	0.00	
7,100.0	90.30	272.42	5,867.3	57.3	-1,472.9	1,474.0	0.00	0.00	
7,200.0	90.30	272.42	5,866.7	61.5	-1,572.8	1,574.0	0.00	0.00	
7,300.0	90.30	272.42	5,866.2	65.7	-1,672.7	1,674.0	0.00	0.00	
7,400.0	90.30	272.42	5,865.7	70.0	-1,772.6	1,774.0	0.00	0.00	
7,500.0	90.30	272.42	5,865.2	74.2	-1,872.5	1,874.0	0.00	0.00	
7,600.0	90.30	272.42	5,864.6	78.4	-1,972.4	1,974.0	0.00	0.00	
7,700.0	90.30	272.42	5,864.1	82.6	-2,072.3	2,074.0	0.00	0.00	
7,800.0	90.30	272.42	5,863.6	86.8	-2,172.2	2,174.0	0.00	0.00	
7,900.0	90.30	272.42	5,863.1	91.1	-2,272.1	2,274.0	0.00	0.00	
8,000.0	90.30	272.42	5,862.5	95.3	-2,372.1	2,374.0	0.00	0.00	
8,100.0	90.30	272.42	5,862.0	99.5	-2,472.0	2,474.0	0.00	0.00	
8,200.0	90.30	272.42	5,861.5	103.7	-2,571.9	2,574.0	0.00	0.00	
8,300.0	90.30	272.42	5,861.0	108.0	-2,671.8	2,674.0	0.00	0.00	
8,400.0	90.30	272.42	5,860.5	112.2	-2,771.7	2,774.0	0.00	0.00	
8,500.0	90.30	272.42	5,859.9	116.4	-2,871.6	2,874.0	0.00	0.00	
8,600.0	90.30	272.42	5,859.4	120.6	-2,971.5	2,974.0	0.00	0.00	
8,700.0	90.30	272.42	5,858.9	124.8	-3,071.4	3,074.0	0.00	0.00	

Database: USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc Company: Project: Rio Arriba County, NM S14-T24N-R7W Site: Escrito D14-2407 01H Well:

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Minimum Curvature

Well Escrito D14-2407 01H WELL @ 7045.0ft (Aztec) WELL @ 7045.0ft (Aztec)

Wellbore: ΗZ Plan #1 Design:

Measured Depth (ft)	Inclination	Azimuth	Vertical Depth (ft)	+N/-S	+E/-W	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
	(°)	(°)		(ft)	(ft)				
8,800.0	90.30	272.42	5,858.4	129.1	-3,171.3	3,173.9	0.00	0.00	
8,900.0	90.30	272.42	5,857.8	133.3	-3,271.2	3,273.9	0.00	0.00	
9,000.0	90.30	272.42	5,857.3	137.5	-3,371.1	3,373.9	0.00	0.00	
9,100.0	90.30	272.42	5,856.8	141.7	-3,471.1	3,473.9	0.00	0.00	
9,200.0	90.30	272.42	5,856.3	145.9	-3,571.0	3,573.9	0.00	0.00	
9,300.0	90.30	272.42	5,855.7	150.2	-3,670.9	3,673.9	0.00	0.00	
9,400.0	90.30	272.42	5,855.2	154.4	-3,770.8	3,773.9	0.00	0.00	
9,500.0	90.30	272.42	5,854.7	158.6	-3,870.7	3,873.9	0.00	0.00	
9,600.0	90.30	272.42	5,854.2	162.8	-3,970.6	3,973.9	0.00	0.00	
9,700.0	90.30	272.42	5,853.6	167.1	-4,070.5	4,073.9	0.00	0.00	
9,800.0	90.30	272.42	5,853.1	171.3	-4,170.4	4,173.9	0.00	0.00	
9,900.0	90.30	272.42	5,852.6	175.5	-4,270.3	4,273.9	0.00	0.00	
10,000.0	90.30	272.42	5,852.1	179.7	-4,370.2	4,373.9	0.00	0.00	
10,100.0	90.30	272.42	5,851.5	183.9	-4,470.2	4,473.9	0.00	0.00	
10,200.0	90.30	272.42	5,851.0	188.2	-4,570.1	4,573.9	0.00	0.00	
10,300.0	90.30	272.42	5,850.5	192.4	-4,670.0	4,673.9	0.00	0.00	
10,400.0	90.30	272.42	5,850.0	196.6	-4,769.9	4,773.9	0.00	0.00	
10,500.0	90.30	272.42	5,849.5	200.8	-4,869.8	4,873.9	0.00	0.00	
10,600.0	90.30	272.42	5,848.9	205.1	-4,969.7	4,973.9	0.00	0.00	
10,700.0	90.30	272.42	5,848.4	209.3	-5,069.6	5,073.9	0.00	0.00	
10,800.0	90.30	272.42	5,847.9	213.5	-5,169.5	5,173.9	0.00	0.00	
10,900.0	90.30	272.42	5,847.4	217.7	-5,269.4	5,273.9	0.00	0.00	
11,000.0	90.30	272.42	5,846.8	221.9	-5,369.3	5,373.9	0.00	0.00	
11,100.0	90.30	272.42	5,846.3	226.2	-5,469.2	5,473.9	0.00	0.00	
11,102.1	90.30	272.42	5,846.3	226.3	-5,471.3	5,476.0	0.00	0.00	TD at 11102.1

Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Escrito D14-2407 01H P - plan hits target cent - Point	0.00 er	0.00	5,846.3	226.3	-5,471.4	1,938,230.07	1,251,321.28	36.319510	-107.570800
Escrito D14-2407 01H P - plan hits target cent - Point	0.00 er	0.00	5,870.3	32.8	-892.8	1,937,974.97	1,255,896.90	36.318980	-107.555260

			and the second of the second o			
Measured Depth (ft)	Vertical Depth (ft)	-	Name	Casing Diameter (in)	Hole Diameter (in)	
6,423.0	5,870.8	7" ICP		0.000	0.000	
500.0	500.0	9 5/8"		0.000	0.000	
	Measured Depth (ft) 6,423.0	Measured Vertical Depth Depth (ft) (ft) 6,423.0 5,870.8	Measured Vertical Depth Depth (ft) (ft) 6,423.0 5,870.8 7" ICP	Measured Vertical Depth Depth (ft) (ft) Name 6,423.0 5,870.8 7" ICP	Measured Depth Depth (ft) Vertical Diameter Diameter (in) Casing Diameter (in) 6,423.0 5,870.8 7" ICP 0.000	Measured Vertical Casing Depth Hole Diameter Diameter (ft) (ft) Name (in) (in) 6,423.0 5,870.8 7" ICP 0.000 0.000

Database:

USA EDM 5000 Multi Users DB

Company:

EnCana Oil & Gas (USA) Inc

Project: Site:

Rio Arriba County, NM S14-T24N-R7W

Well:

Escrito D14-2407 01H

Wellbore: ΗZ Plan #1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well Escrito D14-2407 01H

WELL @ 7045.0ft (Aztec) WELL @ 7045.0ft (Aztec)

True

Minimum Curvature

Measured	Vertical		. *		Dip
Depth	Depth			Dip	Direction
(ft) ,	(ft)	Name	Lithology	(°)	(°)
355.0	355.0	Nacimiento Fn.		-0.30	272.42
1,795.0	1,795.0	Ojo Alamo Ss.		-0.30	272.42
1,985.0	1,985.0	Kirtland Shale		-0.30	272.42
2,215.0	2,215.0	Fruitland Coal		-0.30	272.42
2,445.0	2,445.0	Pictured Cliffs Ss.		-0.30	272.42
2,545.0	2,545.0	Lewis Shale		-0.30	272.42
3,305.0	3,305.0	Cliffhouse Ss.		-0.30	272.42
4,057.0	4,057.0	Menefee Fn.		-0.30	272.42
4,740.0	4,740.0	Point Lookout Ss.		-0.30	272.42
4,915.0	4,915.0	Mancos Shale		-0.30	272.42
5,603.8	5,590.0	Mancos Silt		-0.30	272.42
5,876.6	5,785.0	Gallup Fn.		-0.30	272.42

Plan Annotatio	ons				
	Measured	Vertical	Local Coore	dinates	
	Depth	Depth	+N/-S	+E/-W	
	(ft)	(ft)	(ft)	(ft)	Comment
	5,298.9	5,298.9	0.0	0.0	KOP @ 5298'
İ	6,202.0	5,872.0	20.4	-575.7	LP @ 5872' TVD; 90.3°
	11,102.1	5,846.3	32.8	-892.8	TD at 11102.1

Directions from the Intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM to Encana Oil & Gas (USA) Inc. Escrito D14-2407 01H 471' FNL & 564' FWL, Section 14, T24N, R7W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.31889°N Longitude: 107.55223°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 48.3 miles to Mile Marker 102.9;

Go Left (Northerly) for 1.1 miles to fork in roadway;

Go Left (North-westerly) for 0.4 miles down Rocky Berry hill to fork in roadway at bottom of hill;

Go Right (North-easterly) for 2.3 miles to fork in roadway;

Go Right (North-easterly) which is straight for 6.1 miles to fork in roadway;

Go Left (Northerly) which is straight for 0.4 miles to fork in roadway;

Go Left (South-westerly) for 2.1 miles to fork in roadway;

Go Left (Southerly) up hill for 2.1 miles to fork in roadway;

Go Left (Westerly) which is straight for 1.9 miles to fork in roadway;

Go Left (South-westerly) which is straight for 0.6 miles to new access on right-hand side of existing roadway which continues for 238' to staked Encana Escrito D14-2407 01H location.

