

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NOV 26 2014

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
NMNM 58878

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Encana Oil & Gas (USA) Inc.

3a. Address  
370 17th Street, Suite 1700  
Denver, CO 80202

3b. Phone No. (include area code)  
720-876-3740

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SHL: 1318' FSL and 43' FEL Sec 28, T23N, R7W  
BHL: 725' FSL and 330' FWL Sec 28, T23N, R7W

7. If Unit of CA/Agreement, Name and/or No.  
N/A

8. Well Name and No.  
Lybrook P28-2307 02H

9. API Well No.  
30-043-21200

10. Field and Pool or Exploratory Area  
Basin Mancos/Alamito-Gallup

11. County or Parish, State  
Sandoval County, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Encana Oil & Gas (USA) Inc. (Encana) wishes to modify the drilling plan for the Lybrook P28-2307 02H well to cement the 4 1/2" production liner, instead of running open hole swell packers, as previously planned. Attached is an updated Directional Drilling Plan, 10-Point Drilling Plan and Wellbore Diagram that reflect this change. Please note, the 7" ICP was also moved from approximately 72 degrees to approximately 55 degrees.

**OIL CONS. DIV DIST. 3**

**DEC 01 2014**

**CONDITIONS OF APPROVAL**

Adhere to previously issued stipulations

**ADHERE TO PREVIOUS NMOCD  
CONDITIONS OF APPROVAL**

**BLM'S APPROVAL OR ACCEPTANCE OF THIS  
ACTION DOES NOT RELIEVE THE LESSEE AND  
OPERATOR FROM OBTAINING ANY OTHER  
AUTHORIZATION REQUIRED FOR OPERATIONS  
ON FEDERAL AND INDIAN LANDS**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Rosalie Thim

Title Regulatory Analyst

Signature

*Rosalie Thim*

Date

11/26/14

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

*William Tambekou*

Title

*Petroleum Engineer*

Date

11/28/2014

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

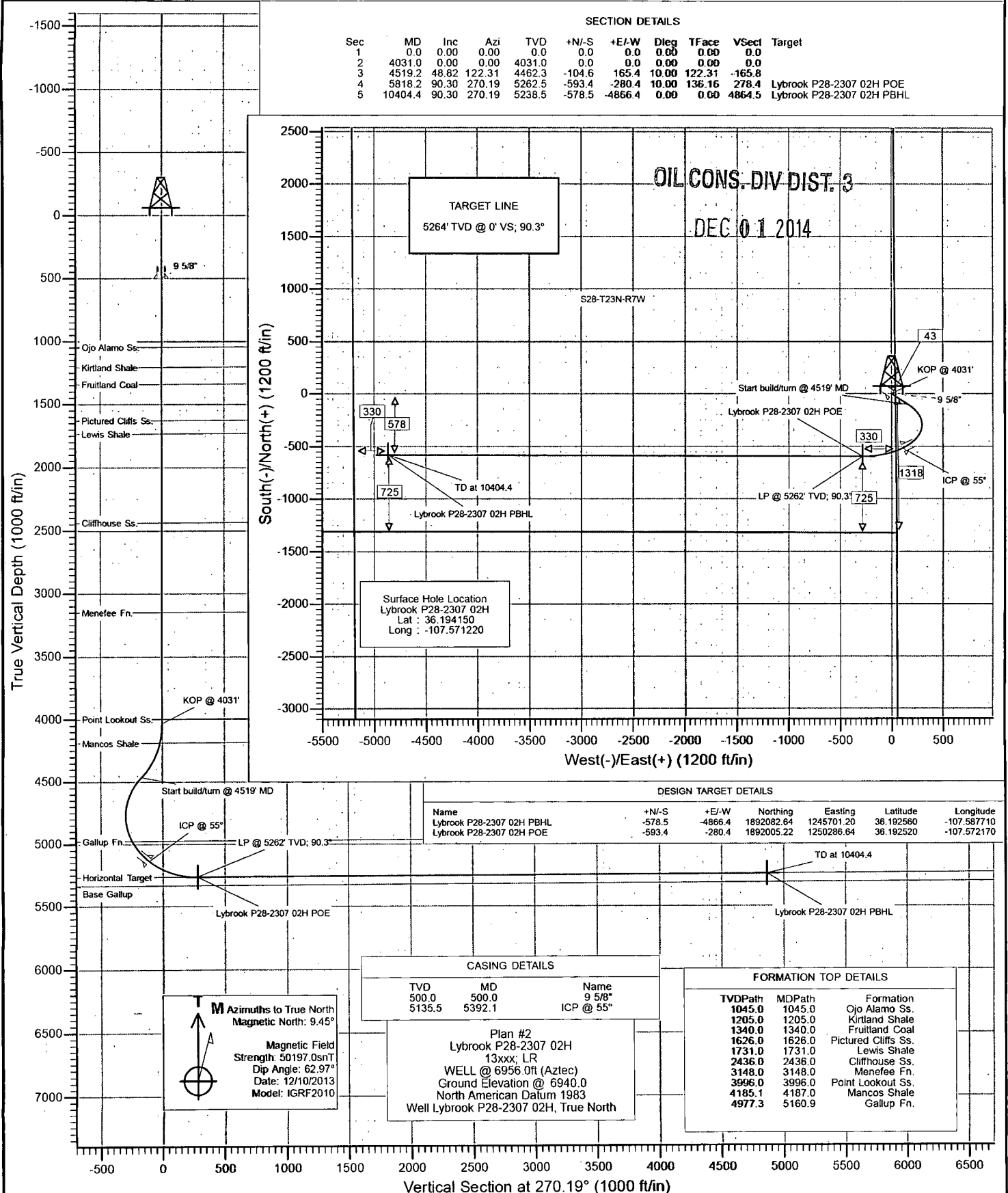
Office

*FFO*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**NMOCD**



## Planning Report

**Database:** USA EDM 5000 Multi Users DB  
**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Sandoval County, NM  
**Site:** Lybrook  
**Well:** Lybrook P28-2307 02H  
**Wellbore:** Hz  
**Design:** Plan #2

**Local Co-ordinate Reference:** Well Lybrook P28-2307 02H  
**TVD Reference:** WELL @ 6956.0ft (Aztec)  
**MD Reference:** WELL @ 6956.0ft (Aztec)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

<b>Project</b>	Sandoval County, NM		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Central Zone		

<b>Site</b>	Lybrook			
<b>Site Position:</b>		<b>Northing:</b>	1,882,676.45 ft	<b>Latitude:</b> 36.168210
<b>From:</b>	Lat/Long	<b>Easting:</b>	1,287,068.90 ft	<b>Longitude:</b> -107.447150
<b>Position Uncertainty:</b>	0.0 ft	<b>Slot Radius:</b>	13.200 in	<b>Grid Convergence:</b> -0.71 °

<b>Well</b>	Lybrook P28-2307 02H			
<b>Well Position</b>	<b>+N/-S</b>	0.0 ft	<b>Northing:</b>	1,892,594.79 ft
	<b>+E/-W</b>	0.0 ft	<b>Easting:</b>	1,250,575.06 ft
<b>Position Uncertainty</b>	0.0 ft	<b>Wellhead Elevation:</b>	ft	<b>Ground Level:</b> 6,940.0 ft

<b>Wellbore</b>	Hz				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	12/10/2013	9.44	62.97	50,197

<b>Design</b>	Plan #2			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD)</b>	<b>+N/-S</b>	<b>+E/-W</b>	<b>Direction</b>
	(ft)	(ft)	(ft)	(°)
	0.0	0.0	0.0	270.19

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,031.0	0.00	0.00	4,031.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,519.2	48.82	122.31	4,462.3	-104.6	165.4	10.00	10.00	0.00	122.31	
5,818.2	90.30	270.19	5,262.5	-593.4	-280.4	10.00	3.19	11.38	136.16	Lybrook P28-2307 02
10,404.4	90.30	270.19	5,238.5	-578.5	-4,866.4	0.00	0.00	0.00	0.00	Lybrook P28-2307 02

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 Wellbore: Hz  
 Design: Plan #2

Local Co-ordinate Reference: Well Lybrook P28-2307 02H  
 TVD Reference: WELL @ 6956.0ft (Aztec)  
 MD Reference: WELL @ 6956.0ft (Aztec)  
 North Reference: True  
 Survey Calculation Method: Minimum Curvature

## Planned Survey

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	0.0	0.0	0.0	0.0	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	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	
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	0.00	9 5/8"
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	
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	
1,045.0	0.00	0.00	1,045.0	0.0	0.0	0.0	0.00	0.00	Ojo Alamo Ss.
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	
1,205.0	0.00	0.00	1,205.0	0.0	0.0	0.0	0.00	0.00	Kirtland Shale
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	
1,340.0	0.00	0.00	1,340.0	0.0	0.0	0.0	0.00	0.00	Fruitland Coal
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	
1,626.0	0.00	0.00	1,626.0	0.0	0.0	0.0	0.00	0.00	Pictured Cliffs Ss.
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	
1,731.0	0.00	0.00	1,731.0	0.0	0.0	0.0	0.00	0.00	Lewis Shale
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	
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	
2,300.0	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	
2,436.0	0.00	0.00	2,436.0	0.0	0.0	0.0	0.00	0.00	Cliffhouse Ss.
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	
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	
3,148.0	0.00	0.00	3,148.0	0.0	0.0	0.0	0.00	0.00	Menefee Fn.
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	
3,400.0	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	
3,996.0	0.00	0.00	3,996.0	0.0	0.0	0.0	0.00	0.00	Point Lookout Ss.
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	
4,031.0	0.00	0.00	4,031.0	0.0	0.0	0.0	0.00	0.00	KOP @ 4031'
4,100.0	6.90	122.31	4,099.8	-2.2	3.5	-3.5	10.00	10.00	
4,187.0	15.60	122.31	4,185.1	-11.3	17.8	-17.9	10.00	10.00	Mancos Shale

# Planning Report

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 Project: Sandoval County, NM  
 Site: Lybrook  
 Well: Lybrook P28-2307 02H  
 Wellbore: Hz  
 Design: Plan #2

Local Co-ordinate Reference: Well Lybrook P28-2307 02H  
 TVD Reference: WELL @ 6956.0ft (Aztec)  
 MD Reference: WELL @ 6956.0ft (Aztec)  
 North Reference: True  
 Survey Calculation Method: Minimum Curvature

## Planned Survey

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
4,200.0	16.90	122.31	4,197.6	-13.2	20.9	-21.0	10.00	10.00	
4,300.0	26.90	122.31	4,290.2	-33.1	52.4	-52.5	10.00	10.00	
4,400.0	36.90	122.31	4,375.0	-61.3	97.0	-97.2	10.00	10.00	
4,500.0	46.90	122.31	4,449.4	-97.0	153.4	-153.7	10.00	10.00	
4,519.2	48.82	122.31	4,462.3	-104.6	165.4	-165.8	10.00	10.00	Start build/turn @ 4519' MD
4,600.0	43.27	130.47	4,518.4	-138.9	212.2	-212.7	10.00	-6.87	
4,700.0	37.41	143.02	4,594.7	-185.5	256.7	-257.3	10.00	-5.86	
4,800.0	33.24	158.79	4,676.4	-235.4	284.9	-285.7	10.00	-4.17	
4,900.0	31.45	177.24	4,761.1	-287.2	296.1	-297.1	10.00	-1.79	
5,000.0	32.45	196.10	4,846.2	-339.1	289.9	-291.1	10.00	1.00	
5,100.0	36.00	212.78	4,929.0	-389.8	266.5	-267.8	10.00	3.55	
5,160.9	39.13	221.34	4,977.3	-419.2	244.1	-245.5	10.00	5.15	Gallup Fn.
5,200.0	41.44	226.23	5,007.2	-437.5	226.6	-228.1	10.00	5.90	
5,300.0	48.13	236.81	5,078.2	-480.9	171.4	-173.0	10.00	6.69	
5,392.1	54.99	244.67	5,135.5	-515.9	108.5	-110.2	10.00	7.45	ICP @ 55°
5,400.0	55.60	245.28	5,140.0	-518.6	102.6	-104.3	10.00	7.73	
5,500.0	63.55	252.31	5,190.6	-549.5	22.3	-24.1	10.00	7.95	
5,600.0	71.80	258.42	5,228.6	-572.7	-67.1	65.2	10.00	8.25	
5,700.0	80.23	263.97	5,252.7	-587.5	-162.9	161.0	10.00	8.43	
5,800.0	88.74	269.24	5,262.3	-593.4	-262.1	260.2	10.00	8.51	
5,818.2	90.30	270.19	5,262.5	-593.4	-280.4	278.4	10.00	8.53	LP @ 5262' TVD; 90.3°
5,900.0	90.30	270.19	5,262.1	-593.2	-362.1	360.2	0.00	0.00	
6,000.0	90.30	270.19	5,261.5	-592.9	-462.1	460.2	0.00	0.00	
6,100.0	90.30	270.19	5,261.0	-592.5	-562.1	560.2	0.00	0.00	
6,200.0	90.30	270.19	5,260.5	-592.2	-662.1	660.2	0.00	0.00	
6,300.0	90.30	270.19	5,260.0	-591.9	-762.1	760.2	0.00	0.00	
6,400.0	90.30	270.19	5,259.5	-591.5	-862.1	860.2	0.00	0.00	
6,500.0	90.30	270.19	5,258.9	-591.2	-962.1	960.2	0.00	0.00	
6,600.0	90.30	270.19	5,258.4	-590.9	-1,062.1	1,060.2	0.00	0.00	
6,700.0	90.30	270.19	5,257.9	-590.6	-1,162.1	1,160.1	0.00	0.00	
6,800.0	90.30	270.19	5,257.4	-590.2	-1,262.1	1,260.1	0.00	0.00	
6,900.0	90.30	270.19	5,256.8	-589.9	-1,362.1	1,360.1	0.00	0.00	
7,000.0	90.30	270.19	5,256.3	-589.6	-1,462.1	1,460.1	0.00	0.00	
7,100.0	90.30	270.19	5,255.8	-589.3	-1,562.1	1,560.1	0.00	0.00	
7,200.0	90.30	270.19	5,255.3	-588.9	-1,662.1	1,660.1	0.00	0.00	
7,300.0	90.30	270.19	5,254.8	-588.6	-1,762.1	1,760.1	0.00	0.00	
7,400.0	90.30	270.19	5,254.2	-588.3	-1,862.1	1,860.1	0.00	0.00	
7,500.0	90.30	270.19	5,253.7	-588.0	-1,962.1	1,960.1	0.00	0.00	
7,600.0	90.30	270.19	5,253.2	-587.6	-2,062.1	2,060.1	0.00	0.00	
7,700.0	90.30	270.19	5,252.7	-587.3	-2,162.1	2,160.1	0.00	0.00	
7,800.0	90.30	270.19	5,252.1	-587.0	-2,262.1	2,260.1	0.00	0.00	
7,900.0	90.30	270.19	5,251.6	-586.7	-2,362.1	2,360.1	0.00	0.00	
8,000.0	90.30	270.19	5,251.1	-586.3	-2,462.1	2,460.1	0.00	0.00	
8,100.0	90.30	270.19	5,250.6	-586.0	-2,562.1	2,560.1	0.00	0.00	
8,200.0	90.30	270.19	5,250.0	-585.7	-2,662.1	2,660.1	0.00	0.00	
8,300.0	90.30	270.19	5,249.5	-585.3	-2,762.1	2,760.1	0.00	0.00	
8,400.0	90.30	270.19	5,249.0	-585.0	-2,862.1	2,860.1	0.00	0.00	
8,500.0	90.30	270.19	5,248.5	-584.7	-2,962.1	2,960.1	0.00	0.00	
8,600.0	90.30	270.19	5,248.0	-584.4	-3,062.1	3,060.1	0.00	0.00	
8,700.0	90.30	270.19	5,247.4	-584.0	-3,162.1	3,160.1	0.00	0.00	
8,800.0	90.30	270.19	5,246.9	-583.7	-3,262.1	3,260.1	0.00	0.00	
8,900.0	90.30	270.19	5,246.4	-583.4	-3,362.1	3,360.1	0.00	0.00	

# Planning Report

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 Company: EnCana Oil & Gas (USA) Inc  
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 Site: Lybrook  
 Well: Lybrook P28-2307 02H  
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Local Co-ordinate Reference:  
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 Survey Calculation Method:

Well Lybrook P28-2307 02H  
 WELL @ 6956.0ft (Aztec)  
 WELL @ 6956.0ft (Aztec)  
 True  
 Minimum Curvature

## Planned Survey

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
9,000.0	90.30	270.19	5,245.9	-583.1	-3,462.1	3,460.1	0.00	0.00	
9,100.0	90.30	270.19	5,245.3	-582.7	-3,562.1	3,560.1	0.00	0.00	
9,200.0	90.30	270.19	5,244.8	-582.4	-3,662.1	3,660.1	0.00	0.00	
9,300.0	90.30	270.19	5,244.3	-582.1	-3,762.1	3,760.1	0.00	0.00	
9,400.0	90.30	270.19	5,243.8	-581.8	-3,862.1	3,860.1	0.00	0.00	
9,500.0	90.30	270.19	5,243.2	-581.4	-3,962.1	3,960.1	0.00	0.00	
9,600.0	90.30	270.19	5,242.7	-581.1	-4,062.1	4,060.1	0.00	0.00	
9,700.0	90.30	270.19	5,242.2	-580.8	-4,162.1	4,160.1	0.00	0.00	
9,800.0	90.30	270.19	5,241.7	-580.4	-4,262.1	4,260.1	0.00	0.00	
9,900.0	90.30	270.19	5,241.2	-580.1	-4,362.1	4,360.1	0.00	0.00	
10,000.0	90.30	270.19	5,240.6	-579.8	-4,462.1	4,460.1	0.00	0.00	
10,100.0	90.30	270.19	5,240.1	-579.5	-4,562.0	4,560.1	0.00	0.00	
10,200.0	90.30	270.19	5,239.6	-579.1	-4,662.0	4,660.1	0.00	0.00	
10,300.0	90.30	270.19	5,239.1	-578.8	-4,762.0	4,760.1	0.00	0.00	
10,400.0	90.30	270.19	5,238.5	-578.5	-4,862.0	4,860.1	0.00	0.00	
10,404.4	90.30	270.19	5,238.5	-578.5	-4,866.4	4,864.5	0.00	0.00	TD at 10404.4

## Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
Lybrook P28-2307 02H I	0.00	0.00	5,262.5	-593.4	-280.4	1,892,005.22	1,250,286.64	36.192520	-107.572170
- plan hits target center									
- Point									
Lybrook P28-2307 02H I	0.00	0.00	5,238.5	-578.5	-4,866.4	1,892,082.64	1,245,701.20	36.192560	-107.587710
- plan hits target center									
- Point									

## Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
5,392.1	5,135.5	ICP @ 55°	0.000	0.000
500.0	500.0	9 5/8"	0.000	0.000

## Planning Report

**Database:** USA EDM 5000 Multi Users DB  
**Company:** EnCana Oil & Gas (USA) Inc  
**Project:** Sandoval County, NM  
**Site:** Lybrook  
**Well:** Lybrook P28-2307 02H  
**Wellbore:** Hz  
**Design:** Plan #2

**Local Co-ordinate Reference:** Well Lybrook P28-2307.02H  
**TVD Reference:** WELL @ 6956.0ft (Aztec)  
**MD Reference:** WELL @ 6956.0ft (Aztec)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

### Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,045.0	1,045.0	Ojo Alamo Ss.		-0.30	270.19
1,205.0	1,205.0	Kirtland Shale		-0.30	270.19
1,340.0	1,340.0	Fruitland Coal		-0.30	270.19
1,626.0	1,626.0	Pictured Cliffs Ss.		-0.30	270.19
1,731.0	1,731.0	Lewis Shale		-0.30	270.19
2,436.0	2,436.0	Cliffhouse Ss.		-0.30	270.19
3,148.0	3,148.0	Menefee Fn.		-0.30	270.19
3,996.0	3,996.0	Point Lookout Ss.		-0.30	270.19
4,187.0	4,185.0	Mancos Shale		-0.30	270.19
5,160.9	4,976.0	Gallup Fn.		-0.30	270.19

### Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
4,031.0	4,031.0	0.0	0.0	KOP @ 4031'
4,519.2	4,462.3	-104.6	165.4	Start build/turn @ 4519' MD
5,818.2	5,262.5	-593.4	-280.4	LP @ 5262' TVD, 90.3°
10,404.4	5,238.5	-578.5	-4,866.4	TD at 10404.4

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SHL: SE/4 SE/4 28 23N 7W 1318 FSL 43 FEL

BHL: SW/4 SW/4 28 23N 7W 725 FSL 330 FWL

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**Encana Oil & Gas (USA) Inc.  
Drilling Plan**

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

The estimated tops of important geologic markers are as follows:

<b>Formation</b>	<b>Depth (TVD) units = feet</b>
Kirtland Shale	1,205
Fruitland Coal	1,340
Pictured Cliffs Ss.	1,626
Lewis Shale	1,731
Cliffhouse Ss.	2,436
Menefee Fn.	3,148
Point Lookout Ss.	3,996
Mancos Shale	4,185
Gallup Fn.	4,976
Horizontal Target	5,264
Base Gallup	5,334

The referenced surface elevation is 6940', KB 6956'

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

<b>Substance</b>	<b>Formation</b>	<b>Depth (TVD) units = feet</b>
Water/Gas	Fruitland Coal	1,340
Oil/Gas	Pictured Cliffs Ss.	1,626
Oil/Gas	Cliffhouse Ss.	2,436
Gas	Menefee Fn.	3,148
Oil/Gas	Point Lookout Ss.	3,996
Oil/Gas	Mancos Shale	4,185
Oil/Gas	Mancos Silt	#N/A
Oil/Gas	Gallup Fn.	4,976

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



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### 3. PRESSURE CONTROL

- a) Pressure control 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.
- 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).
- l) 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 times.
- 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'	26"	16"	42.09#	
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-5392'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5292'-10404'	6 1/8"	4 1/2"	11.6#	B80*, LTC New

Casing String				Casing Strength Properties			Minimum Design Factors		
Size	Weight (ppf)	Grade	Connection	Collapse (psi)	Burst (psi)	Tensile (1000lbs)	Collapse	Burst	Tension
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

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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.

b) The proposed cementing program is as follows

Casing	Depth (MD)	Cement Volume (sacks)	Cement Type & Yield	Designed TOC	Centralizers
Conductor	0'-60'	100 sks	Type I Neat 16 ppg	Surface	None
Surface	0'-500'	228 sks	Type III Cement + 1% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.2% bwoc FL-52A + 58.9% Fresh Water	Surface	1 per joint on bottom 3 joints
Intermediate	0'-5392'	100% open hole excess Stage 1 Lead: 501 sks Stage 1 Tail: 383 sks	Lead: PremLite + 3% CaCl + 0.25lb/sk CelloFlake + 5lb/sk LCM, 12.1ppg 2.13cuft/sk Tail: Type III Cmt + 1% CaCl + 0.25lb/sk Cello Flake 14.5ppg 1.38cuft/sk	Surface	1 every 3 joints through water bearing zones
Production Liner	5292'-10404'	50% OH excess Stage 1 Blend Total: 290sks	Blend: Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwow Potassium Chloride + 0.25lbs/sack Cello Flake + 0.5% bwoc CD-32 + 1.15% bwoc FL- 52A + 60 lbs/sack Calcium Carbonate + 124.4% Fresh Water. Yield 2.63 cuft/sk	Liner Hanger	N/A

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 4031'. Directional plans are attached.

Description	Proposed Depth (TVD/MD)	Formation
Horizontal Lateral TD	5238'/10404'	Gallup

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SHL: SE/4 SE/4 28 23N 7W 1318 FSL 43 FEL

BHL: SW/4 SW/4 28 23N 7W 725 FSL 330 FWL

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## 6. DRILLING FLUIDS PROGRAM

### a) Surface through Intermediate Casing Point:

Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	Viscosity (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	8.3-10	60-70	NC
8 3/4"	500'/500'-5135'/5392'	Fresh Water LSND	8.3-10	40-50	8-10

### b) Intermediate Casing Point to TD:

Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
6 1/8"	5135'/5392'- 5238'/10404'	Fresh Water LSND	8.3-10	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. 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 +/- 2464 psi based on a 9.0 ppg at 5264' TVD of the horizontal lateral target. No abnormal pressure or temperatures are anticipated.

No hydrogen sulfide gas is anticipated, however, if H<sub>2</sub>S 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 November 5, 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: Lybrook P28-2307 02H County: KB WELL: Lybrook P28-2307 02H			Encana Natural Gas  WELL SUMMARY				ENG: Erik Graven RIG: Aztec 920 GLE: 0 RKBE: 0			11/25/14	
MWD LWD	OPEN HOLE LOGGING	FORM	DEPTH TVDMD				HOLE SIZE	CASING SPECS	MW MUD TYPE	DEVIATION INFORMATION	
			60 0	60'			26	16" 42.09# 100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2		
Multi-Well pad take survey every stand and run anticollision report prior to spud	None	San Jose Fn.     Nacimiento Fn. 9 5/8" Csg	0     0 500	     500.00			12 1/4	9 5/8" 36ppf J55 STC  TOC Surface with 100% OH Excess: 228 sks Type III Cement + 1% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.2% bwoc FL-52A + 58.9% Fresh Water.	Fresh wtr  8.3-10	Vertical <1°	
Survey Every 60'-120', updating anticollision report after surveys. Stop operations and contact drilling engineer if separation factor approaches 1.5	No OH logs	Ojo Alamo Ss. Kirtland Shale  Fruitland Coal  Pictured Cliffs Ss. Lewis Shale  Cliffhouse Ss. Menefee Fn.  Point Lookout Ss. Mancos Shale	1,045 1,205  1,340  1,626 1,731  2,436 3,148  3,996 4,185				8 3/4	7" 26ppf J55 LTC  TOC @ surface (100% OH excess - 70% Lead 30% Tail) Stage 1 Total: 885sks  Stage 1 Lead: 501 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: 383 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.	Fresh Wtr  8.3-10	Vertical <1°	
Surveys every 30' through the curve	Mud logger onsite	KOP  Mancos Shale  Gallup Fn.  7" Csg	4,031  4,185  4,976  5,135	4,031    5,392'							
Surveys every stand to TD unless directed otherwise by Geologist	No OH Logs	Horizontal Target TD  Base Gallup	5,264 5,238  5,334	10,404			6 1/8	100' overlap at liner top  5012' Drilled Lateral		Horz Inc/TVD deg/ft  TD = 10404.4 MD	
MWD Gamma Directional								4 1/2" 11.6ppf SB80 LTC  TOC @ hanger (50% OH excess) Stage 1 Total: 290sks  Stage 1 Blend: 290 sks Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwow Potassium Chloride + 0.25lbs/sack Cello Flake + 0.5% bwoc CD-32 + 1.15% bwoc FL-52A + 60 lbs/sack Calcium Carbonate + 124.4% Fresh Water. Yield 2.63 cuft/sk.	WBM 8.3-10		

#### NOTES:

- 1) Drill with 26" bit to 60', set 16" 42.09ppf conductor pipe
- 2) Drill surface to 500', R&C 9 5/8" casing
- 3) N/U BOP and surface equipment
- 4) Drill to KOP of 4031', 8 3/4 inch holesize
- 5) Start curve at 10deg/100' build rate
- 6) Drill to csg point of 5392' MD
- 7) R&C 7" csg, circ cmt to surface
- 8) Land at -90 deg, drill lateral to 10404' run 4 1/2 inch cemented liner