

encana

OIL CONS. DIV DIST. 3
JUL 10 2014

July 7, 2014

CERTIFIED MAIL

Dugan Production Corp.
Kurt Fagrelus
709 East Murray Drive
Farmington, NM 87401

45-35480

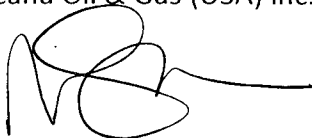
RE: Hydraulic Fracturing Notice
Encana Escrito M27-2409 01H
Surface Location: T24N-R09W Sec. 27; 1282' FSL, 383' FWL
Bottom Hole Location: T24N-R09W Sec. 28; 1880' FSL, 330' FWL
Project Area T24N-R09W Sec. 27: N2SE4; T24N-R09W Sec. 28: N2SW4
San Juan County, NM

Gentlemen:

The purpose of this letter is to provide you notice that Encana plans to commence hydraulic fracturing operations for its Escrito M27-2409 01H well located in Township 24 North, Range 09 West, San Juan County, New Mexico (T24N-R09W Sec. 27: N2SE4; T24N-R09W Sec. 28: N2SW4) from on or about 9/07/2014 to on or about 9/24/2014. Since the completed interval for this well is located near one or more wells operated by your company, this courtesy notice is provided so that you, as operator, can undertake appropriate action to protect your well(s).

If you would like more information regarding Encana's hydraulic fracturing operations schedule for this well, please contact Paula Rauchfuss at 720-876-3801 or paula.rauchfuss@encana.com.

Sincerely,
Encana Oil & Gas (USA) Inc.



For Paula Rauchfuss

Paula Rauchfuss
Land Negotiator, San Juan Basin

Cc: Jim Lovato, BLM
William Hoppe, NMOCD

Encana Oil & Gas (USA) Inc.

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7-1-14 Well name changed to Nagleezi Unit M27-2409