State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary

David R. Catanach 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.
Operator Signature Date: 3-25-15 Well information; Operator Encana, Well Name and Number Lybrook P12 2206 #2H
Operator <u>Encana</u> , Well Name and Number <u>Lybrook</u> P 12 2206 # 2 H API# 30-043-21272, Section 12, Township 22 N/S, Range 6 E/W
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 NSI), NSP, DHC Spacing rule violation. Operator must follow up with change of status notification on other w to be shut in or abandoned

- ell
- 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
- Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- 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.
- Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

NMOCD Approved by Signature

1220 South St. Francis Drive - Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

OIL CONS. DIV DIST. 3

JUL 0 8 2015

Form 3160-3

(August 2007)

MAR 2 7 2015

RECEIVED

FORM APPROVED OMB No. 1004-0137 Expires July 31, 2010

UNITED STATES DEPARTMENT OF THE INTERIOR

5. Lease Serial No.

DEPARTMENT OF THE I BUREAU OF LAND MAN		- Farmington FIG	eld Office	NMNM 117562 & NMN	IM 109390	
APPLICATION FOR PERMIT TO		Bureau of Land W	lanagem	6. If Indian, Allotee or T N/A	Tribe Name	
Ia. Type of work: DRILL REENTE	7 If Unit or CA Agreeme Pending	nt, Name and No.				
lb. Type of Well: Oil Well Gas Well Other	✓s	ingle Zone Multip	le Zone	8. Lease Name and Well Lybrook P12-2206 02F		
2. Name of Operator Encana Oil & Gas (USA) Inc.				9. API Well No. 30-043-21	272	
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. 720-876-5	0. (include area code) 994		10. Field and Pool, or Expl Lybrook Gallup	oratory	
4. Location of Well (Report location clearly and in accordance with an At surface 159' FSL and 1197' FEL Section 12, T22N,	R6W S	ESE		11. Sec., T. R. M. or Blk. at SHL: Section 12, T22N	•	
At proposed prod. zone 2310' FNL and 400' FEL Section 14. Distance in miles and direction from nearest town or post office* +/- 60.2 miles southeast of the intersection of US Hwy 550				12. County or Parish Sandoval	733N, K 13. State NM	
Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of NM 11756	16. No. of acres in lease 17. Spacing		g Unit dedicated to this well res - E2E2 of Section 1 24	3 and E2NE4 of	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Lybrook P12-2206 01H is +/- 30' SW of SHL	19. Propose 5,290' TV	ed Depth D/13,248' MD	20. BLM/E COB-000	BIA Bond No. on file 0235		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7,067' GL; 7,083' KB	22. Approx 11/05/20	imate date work will star 15	1*	23. Estimated duration 20 days		
	24. Atta	chments				
The following, completed in accordance with the requirements of Onshor	re Oil and Gas	Order No.1, must be at	tached to thi	s form:		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office). 	Lands, the	Item 20 above). 5. Operator certific	ation	ormation and/or plans as may		
25. Signature	1	(Printed/Typed) wn Turk		Dat	/25/15	
Title Regulatory Analyst				/	ŗ	
Approved by (Signature) Manles (8)	Name	(Printed/Typed)		\ Dat	7/1/15	
Title AFM	Office	FFO)			
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equ	itable title to those right	ts in the sub	ject lease which would entit)	e 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	rime for any p	person knowingly and w within is justified of	villfully to m	ake to any department or ag	ency of the United	

(Continued on page 2)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS AUTHORIZED ARE SUBJECT TO ON FEDERAL AND INDIAN LANDS

*(Instructions on page 2) DRILLING OPERATIONS **COMPLIANCE WITH ATTACHED** "GENERAL REQUIREMENTS"

NMOCDAY

District I

1625 N. French Dr., Hobbs, NM 88240 Phone (575) 393-6161 Fax: (575) 393-0720

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 & 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

30-043-6	1212	² Pool Code 42289	³ Pool Nal LYBROOK G	··· ·
Property Code		⁵ Pro LYBROO	⁶ Well Number 02H	
7 OGRID No. 282327		· •	erator Name & GAS (USA) INC.	⁹ Elevation 7067.2'

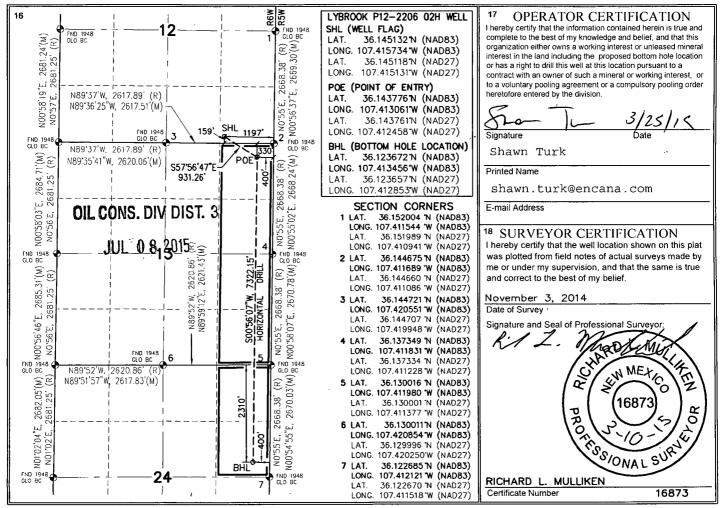
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
P	12	22N	6W		159	SOUTH	1197	EAST	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	East/West Line	County
Н	24	22N	6W		2310	NORTH	. 400	EAST	SANDOVAL
12 Dedicated Acre 240.00 A (RECOR	Acres	PR E/2 E/2 E/2 NE/		tion 13	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



SHL: 159' FSL, 1197' FEL Sec 12, T22N, R6W BHL: 2310' FNL, 400' FEL Sec 24, T22N R6W

Sandoval, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

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
San Jose Fn.	n/a
Nacimiento Fn.	surface
Ojo Alamo Ss.	1,418
Kirtland Shale	1,515
Fruitland Coal	1,702
Pictured Cliffs Ss.	1,911
Lewis Shale	2,019
Cliffhouse Ss.	2,743
Menefee Fn.	3,437
Point Lookout Ss.	4,138
Mancos Shale	4,317
Mancos Silt	4,909
Gallup Fn.	5,192
Base Gallup	5,491

The referenced surface elevation is 7067', KB 7083'

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

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,702
Oil/Gas	Pictured Cliffs Ss.	1,911
Oil/Gas	Cliffhouse Ss.	2,743
Gas	Menefee Fn.	3,437
Oil/Gas	Point Lookout Ss.	4,138
Oil/Gas	Mancos Shale	4,317
Oil/Gas	Mancos Silt	4,909
Oil/Gas	Gallup Fn.	5,192

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

SHL: 159' FSL, 1197' FEL Sec 12, T22N, R6W BHL: 2310' FNL, 400' FEL Sec 24, T22N R6W

Sandoval, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

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.
- i) 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).
- 1) 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'-5519'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5419'-13248'	6 1/8"	4 1/2"	11.6#	B80*, LTC New

	Casir	ng String	g	Casing Strength Properties			Minimum	Design	Factors
Size		Grade	Connectio	•	Burst (psi)	Tensile (1000lbs)	Collapse	Burst	Tensio
	(ppf)		n	(psi)		·			n
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.

SHL: 159' FSL, 1197' FEL Sec 12, T22N, R6W BHL: 2310' FNL, 400' FEL Sec 24, T22N R6W

Sandoval, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

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	Cement Volume	Cement Type & Yield	Designed	Centralizers
	(MD)	(sacks)		TOC	
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'-5519'	100% open hole excess Stage 1 Lead: 514 sks Stage 1 Tail: 392 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	5419'- 13248'	50% OH excess Stage 1 Blend Total: 435sks	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 600'. Directional plans are attached.

Description	Proposed Depth (TVD/MD)	Formation
Horizontal Lateral TD	5290'/13248'	Gallup

SHL: 159' FSL, 1197' FEL Sec 12, T22N, R6W BHL: 2310' FNL, 400' FEL Sec 24, T22N R6W

Sandoval, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

			-	Viscosity	
Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (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	8.3-10	60-70	NC
8 3/4"	500'/500'-5312'/5519	Fresh Water LSND	8.3-10	40-50	8-10

b) Intermediate Casing Point to TD:

				Viscosity	
Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	(sec/qt)	Fluid Loss (cc)
	5312'/5519'-				
6 1/8"	5290'/13248'	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.
- 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 +/- 2546 psi based on a 9.0 ppg at 5440' 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 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.

		Sec 12, T22N, R6W	E	ncana	Oil & Gas (USA) Inc.	ENG: Michael Sanch	3-25-15
WELL: Lybro	oval ook P12-2206	02H		•	ELL SUMMARY	RIG: Unassigned GLE: 7067 RKBE: 7083	
MWD	OPEN HOLE		DEPTH		HOLE	CASING MW	DEVIATION
LWD	LOGGING	FORM	TVD	MD	SIZE	SPECS MUD TYPE	INFORMATION
			60	60'	26 100sx Ty	16" 42.09# Fresh wtr /pe I Neat 16.0ppg cmt 8.3-9.2	
Multi-Well pad - take survey every stand	None	San Jose Fn.	0.		1 11 1 1	8" 36ppf J55 LTC Fresh wtr	Vertical
and run anti- collision report prior to spud		Nacimiento Fn. 9 5/8" Csg	surface 500	500.00	228 sks T Calcium Ch	ace with 100% OH Excess: ype III Cement + 1% bwoc 1lonide + 0.25 bk/sack Cellc 2% bwoc FL-52A + 58.9% Fresh Water.	<1°
		Ojo Alarno Ss. Kirtland Shale	1,418 1,515		7"	' 26ppf J55 LTC Fresh Wtr	
Survey Every 60'-120', updating anticollision	No OH logs	Fruitland Coal Pictured Cliffs Ss. Lewis Shale	1,702 1,911 2,019		8 3/4 (100% OF	TOC @ surface 1 excess - 70% Lead 30% 8.3-10 Tail) age 1 Total: 906sks	Vertical <1°
report after surveys. Stop operations and contact drilling		Cliffhouse Ss. Menefee Fn,	2,743 3,437		Stage 1 L	ead: 514 sks Premium Lite CaCl2 + 0.25/sk Cello Flake	
engineer if separation factor approaches		Point Lookout Ss. Mancos Shale	4,138 4,317	!	+ 5#/sk LC FL-52A +	M-1 + 8% Bentonite + 0.4% 0.4% Sodium Metasilicate. 2.1 ppg. Yield 2.13 cuft/sk.	- - -
1.5	Mud logger onsite	кор	600	600	\ \ 1% CaCl:	il: 392 sks Type III Cement 2 + 0.25#/sk Cello Flake + 2A. Mixed at 14.6 ppg. Yield	
Surveys every 30' through the curve		Mancos Silt	4,909		02/8125	1.38 cuft/sk.	
	· ·	Gallup Fn.	5,192				
		7" Csg	5,312	5,519'	// //		Horz Inc/TVD
Surveys every		Horizontal Target	5,440			0' overlap at liner top	91.1deg/5440fl
unless directed		TD	5,290	13,248	7	728' Drilled Lateral	TD = 13247.6 MD
otherwise by Geologist	No OH Łogs	Base Gallup	5,491		4 1/2"	WBM 11.6ppf SB80 LTC 8.3-10	
						TOC @ hanger (50% OH excess) age 1 Total: 435sks	
MWD							
Gamma Directional		١			Strength FM Potassium Flake + 0.5% 52A + 60 II	nd: 435 sks Premium Lite High 1+0,7% bwoc R-3 + 3% bwow Chloride + 0,25lbs/sack Cello bwoc CD-32 + 1,15% bwoc FL- bs/sack Calcium Carbonate + esh Water, Yield 2,63 cuft/sk.	!

NOTES:

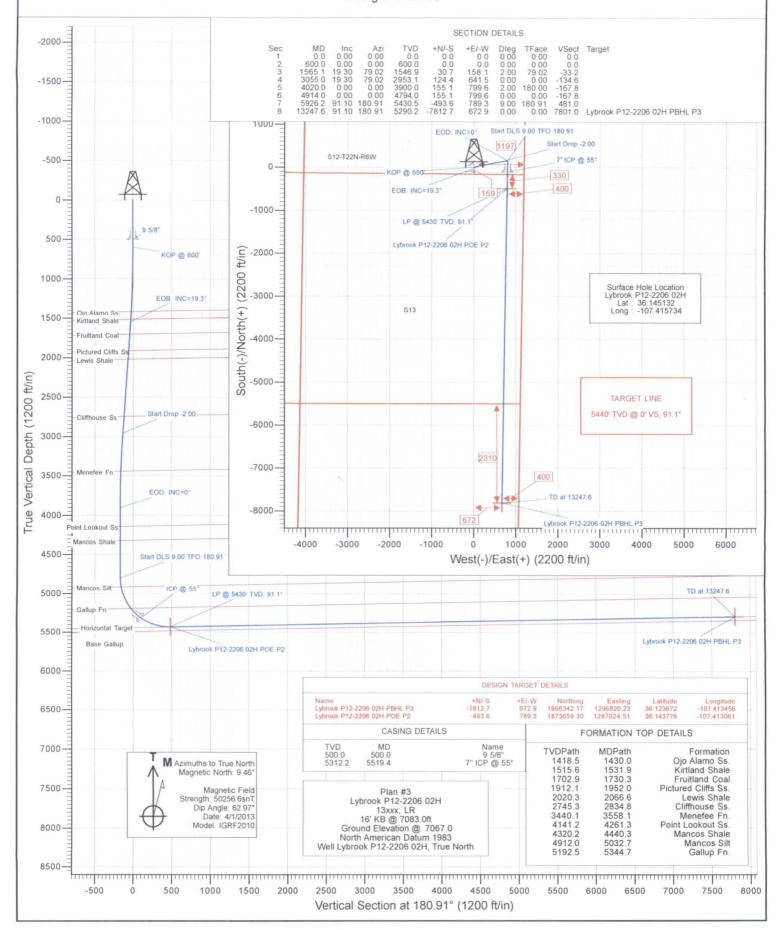
- 1) Drill with 26" bit to 60', set 16" 42.09ppf conductor pipe
- 2) Drill surface to 500', R&C 9 5/8" casing
- 3) N/U BOP and surface equipment
- 4) Drill to KOP of 600', 8 3/4 inch holesize
- 5) Start curve at 10deg/100' build rate
- 6) Drill to csg point of 5519' MD
- 7) R&C 7" csg, circ cmt to surface
- 8) Land at ~55 deg, drill lateral to 13248' run 4 1/2 inch cemented liner



Project: Sandoval County, NM Site: S12-T22N-R6W Well: Lybrook P12-2206 02H

Wellbore: Hz Design: Plan #3





Database:

the contract of the USA EDM 5000 Multi Users DB

Company:

Project:

EnCana Oil & Gas (USA) Inc Sandoval County, NM

Site:

Well:

S12-T22N-R6W Lybrook P12-2206 02H

Wellbore: Design:

Ηz Plan #3 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well Lybrook P12-2206 02H

16' KB @ 7083.0ft 16' KB @ 7083.0ft

True

Minimum Curvature

Sandoval County, NM Project

Map System: Geo Datum:

Map Zone:

US State Plane 1983

North American Datum 1983

New Mexico Central Zone

System Datum:

Mean Sea Level

Site S12-T22N-R6W

Site Position:

Well

Northing:

1,874,151.44 ft 1,296,213.30 ft

Latitude:

Longitude:

36.145101

From: **Position Uncertainty:** Lat/Long 0.0 ft

Easting: Slot Radius:

13.200 in

Grid Convergence:

-107.415828 -0.69°

Lybrook P12-2206 02H

Well Position

+N/-S +E/-W

0.0 ft 0.0 ft Northing: Easting:

1,874,162.37 ft 1,296,241.19 ft Latitude: Longitude:

36.145132 -107.415734

Position Uncertainty

0.0 ft

Wellhead Elevation:

Ground Level:

7,067.0 ft

Wellbore Hz Sample Date Declination Dip Angle Field Strength Magnetics **Model Name** (°) (nT) (°) **IGRF2010** 4/1/2013 9.46 62.97 50,257

Design **Audit Notes:** Version:

Plan #3

Vertical Section: Depth From (TVD) (ft)

Phase:

0.0

PLAN

+N/-S

(ft)

0.0

Tie On Depth: +E/-W

(ft)

0.0

0.0

Direction (°)

180.91

an 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	
600.0	0.00	0.00	600.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,565.1	19.30	79.02	1,546.9	30.7	158.1	2.00	2.00	0.00	79.02	
3,055.0	19.30	79.02	2,953.1	124.4	641.5	0.00	0.00	0.00	0.00	
4,020.0	0.00	0.00	3,900.0	155.1	799.6	2.00	-2.00	0.00	180.00	
4,914.0	0.00	0.00	4,794.0	155.1	799,6	0.00	0.00	0.00	0.00	
5,926.2	91.10	180.91	5,430.5	-493.6	789.3	9.00	9.00	-17.69	180.91	
13,247.6	91.10	180.91	5,290.2	-7,812.7	672.9	0.00	0.00	0.00	0.00	Lybrook P12-2206

Database:

USA EDM 5000 Multi Users DB

Company: EnCana Oil & Gas (USA) Inc

Project:

EnCana Oil & Gas (USA) Inc Sandoval County, NM

Site: Well: S12-T22N-R6W Lybrook P12-2206 02H

Wellbore: Design: Hz · Plan #3 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Lybrook P12-2206 02H

16' KB @ 7083.0ft 16' KB @ 7083.0ft

True

Minimum Curvature

easured 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	KOP @ 600'
700.0	2.00	79.02	700.0	0.3	1.7	-0.4	2.00	2.00	
800.0	4.00	79.02	799.8	1.3	6.9	-1.4	2.00	2.00	
900.0	6.00	79.02	899.5	3.0	15.4	-3.2	2.00	2.00	
,000.0	8.00	79.02	998.7	5.3	27.4	-5.7	2.00	2.00	
1,100.0	10.00	79.02	1,097.5	8.3	42.7	-9.0	2.00	2.00	
1,200.0	12.00	79.02	1,195.6	11.9	61.5 ,	-12.9	2.00	2.00	
1,300.0	14.00	79.02	1,293.1	16.2	83.5	-17.5	2.00	2.00	
,400.0	16.00	79.02	1,389.6	21.1	108.9	-22.9	2.00	2.00	
1,430.0	16.60	79.02	1,418.5	22.7	117.2	-24.6	2.00	2.00	Ojo Alamo Ss.
1,500.0	18.00	79.02	1,485.3	26.7	137.6	-28.9	2.00	2.00	*
,531.9	18.64	79.02	1,515.6	28.6	147.5	-31.0	2.00		Kirtland Shale
1,565.1	19.30	79.02	1,546.9	30.7	158.1	-33.2	2.00		EOB; INC=19.3°
,600.0	19.30	79.02	1,579.9	32.9	169.4	-35.5	0.00	0.00	200, 1110 10.0
1,700.0	19.30	79.02	1,674.3	39,2	201.9	-42.4	0.00	0.00	
1,730.3	19.30	79.02	1,702.9	41.1	211.7	-44.4	0.00		Fruitland Coal
1,800.0	19.30	79.02	1,768.6	45.4	234.3	-49.2	0.00	0.00	r raidana oodi
1,900.0	19.30	79.02	1,863.0	51.7	266.8	-56.0	0.00	0.00	
1,952.0	19.30	79.02	1,912.1	55.0	283.6	-59.5	0.00		Pictured Cliffs Ss.
2,000.0	19.30	79.02	1,957.4	58.0	299.2	-62.8	0.00	0.00	
2,066.6	19.30	79.02	2,020.3	62.2	320.8	-67.3	0.00	0.00	Lewis Shale
2,100.0		79.02			331.7	-69.6		0.00	Lewis Silale
2,100.0	19.30 19.30	79.02 79.02	2,051.8 2,146.2	64.3	364.1	-76.4	0.00 0.00		
,300.0	19.30	79.02 79.02	2,146.2 2,240.5	70.6 76.9	396.6	-76.4 -83.2	0.00	0.00 0.00	
	19.30	79.02	2,334.9	83.2	429.0	-90.0	0.00	0.00	
2,400.0 2,500.0	19.30	79.02 79.02	2,334.9 2,429.3	83.2 89.5	429.0 461.4	-90.0 -96.8	0.00	0.00	
2,600.0	19.30	79.02 79.02	2,429.3 2,523.7	95.8	493.9	-96.6 -103.6	0.00	0.00	
2,700.0	19.30	79.02 79.02	2,523.7 2,618.1	95.6 102.1	526.3	-103.6 -110.4	0.00	0.00	
2,700.0	19.30	79.02 79.02	2,712.4	102.1	526.3 558.8	-110. 4 -117.3	0.00	0.00	
2,834.8	19.30	79.02	2,745.3	110.6	570.1	-119.6	0.00		Cliffhouse Ss.
2,900.0	19.30	79.02	2,745.3	114.7	591.2	-119.0	0.00	0.00	Smiriouse Os.
3,000.0	19.30	79.02	2,901.2	121.0	623.7	-130.9	0.00	0.00	
3,055.0	19.30	79.02	2,953.1	121.0	641.5	-130.9	0.00		Start Drop -2.00
3,100.0	18.40	79.02	2,933.1	127.2	655.8	-134.6 -137.6	2.00	-2.00	Start Drop -2.00
,200.0	16.40	79.02	3,091.1	132.9	685.2	-143.8	2.00	-2.00	
3,300.0	14.40	79.02	3,091.1	138.0	711.2	-143.8	2.00	-2.00	
3,300.0	12.40	79.02 79.02	3,167.5 3,284.8	130.0	711.2 734.0	-149.2 -154.0	2.00	-2.00	
,								-2.00 -2.00	
3,500.0 3,558.1	10.40 9.24	79.02 79.02	3,382.8 3,440.1	146.1 148.0	753.4 763.1	-158.1 -160.1	2.00 2.00		Menefee Fn.
3,600.0	8.40	79.02	3,481.5	149.2	769.4	-161.4	2.00	-2.00	
3,700.0	6.40	79.02	3,580.6	151.7	782.1	-164.1	2.00	-2.00	
0.008,8	4.40	79.02	3,680.2	153.5	791.3	-166.0	2.00	-2.00	
3,900.0	2.40	79.02	3,780.0	154.6	797.1	-167.3	2.00	-2.00	
4,000.0	0.40	79.02	3,880.0	155.1	799.5	-167.8	2.00	-2.00	
1,020.0	0.00	0.00	3,900.0	155.1	799.6	-167.8	2.00	-2.00	EOD; INC=0°
,100.0	0.00	0.00	3,980.0	155.1	799.6	-167.8	0.00	0.00	

Database: USA EDM 5000 Multi Users DB

Company: EnCana Oil & Gas (USA) Inc

Project:

. Sandoval County, NM

Site: Well: S12-T22N-R6W

Lybrook P12-2206 02H · Hz

Local Co-ordinate Reference: Well Lybrook P12-2206 02H

TVD Reference:

16' KB @ 7083.0ft 16' KB @ 7083.0ft MD Reference:

North Reference:

Survey Calculation Method:

True Minimum Curvature

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ellbore:	· Hz	12 22,00 0211			Juivey	Carculation We			um Curvature
sign:	Plan #3							ŀ	
<u> </u>		- 1710 111							
ınned Surve	31/						* *-		
Measured			Vertical			Vertical	Dogleg	Build	Comments /
Depth	1 12 42		Depth			Section	Rate	Rate	Formations
-	Inclination	Azimuth		+N/-S	+E/-W				romations
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	(°/100ft)	
4,200.0	0.00	0.00	4,080.0	155.1	799.6	-167.8	0.00	0.00	
4,261.3	0.00	0.00	4,141.2	155.1	799.6	-167.8	0.00	0.00	Point Lookout Ss.
4,300.0	0.00	0.00	4,180.0	155.1	799.6	-167.8	0.00	0.00	
4,400.0	0.00	0.00	4,280.0	155.1	799.6	-167.8	0.00	0.00	
4,440.3	0.00	0.00	4,320.2	155.1	799.6	-167.8	0.00	0.00	
4,500.0	0.00	0.00	4,380.0	155.1	799.6	-167.8	0.00	0.00	
4,600.0	0.00	0.00	4,480.0	155.1	799.6	-167.8	0.00	0.00	
4,700.0	0.00	0.00	4,580.0	155.1	799.6	-167.8	0.00	0.00	
4,800.0	0.00	0.00	4,680.0	155.1	799.6	-167.8	0.00	0.00	
4,900.0	0.00	0.00	4,780.0	155.1	799.6	-167.8	0.00	0.00	
4,914.0	0.00	0.00	4,794.0	155.1	799.6	-167.8	0.00		Start DLS 9.00 TFO 180.91
5,000.0	7.74	180.91	4,879.7	149.3	799.5	-162.0	9.00	9.00	
5,032.7	10.68	180.91	4,912.0	144.1	799.4	-156.7	9.00	9.00	Mancos Silt
5,100.0	16.74	180.91	4,977.3	128.1	799.2	-140.8	9.00	9.00	
5,200.0	25.74	180.91	5,070.4	92.0	798.6	-104.6	9.00	9.00	
5,300.0	34.74	180.91	5,156.8	41.7	797.8	-54.3	9.00	9.00	
5,344.7	38.76	180.91	5,192.5	14.9	797.4	-27.6	9.00		Gallup Fn.
5,344.7	43.74	180.91	5,192.5	-21.5	796.8	8.9	9.00	9.00	•
5,500.0	52.74	180.91	5,300.7	-96.0	795.6	83.4	9.00	9.00	
5,519.4	54.48	180.91	5,312.2	-111.6	795.4	99.0	9.01	9.01	ICP @ 55°
5,600.0	61.74	180.91	5,354.7	-180.0	794.3	167.4	9.00	9.00	
5,700.0	70.74	180.91	5,395.0	-271.4	792.8	258.8	9.00	9.00	
5,800.0	79.74	180.91	5,420.4	-368.0	791.3	355.4	9.00	9.00	
5,900.0	88.74	180.91	5,430.5	-467.4	789.7	454.8	9.00	9.00	
5,926.2	91.10	180.91	5,430.5	-493.6	789.3	481.0	9.00	9.00	LP @ 5430' TVD; 91.1° - Lybrook P12-2206
5,938.6	91.10	180.91	5,430.3	-506.0	789.1	493.4	0.00		Lybrook P12-2206 02H POE
6,000.0	91.10	180.91	5,429.1	-567.4	788.1	554.8	0.00	0.00	
6,100.0	91.10	180.91	5,427.2	-667.4	786.5	654.8	0.00	0.00	
6,200.0	91.10	180.91	5,425.3	-767.3	784.9	754.8	0.00	0.00	
6,300.0	91.10	180.91	5,423.3	-867.3	783.3	854.7	0.00	0.00	
6,400.0	91.10	180.91	5,421.4	-967.3	781.7	954.7	0.00	0.00	
6,500.0	91.10	180.91	5,419.5	-1,067.2	780.2	1,054.7	0.00	0.00	
6,600.0	91.10	180.91	5,417.6	-1,167.2	778.6	1,154.7	0.00	0.00	
6,700.0	91.10	180.91	5,415.7	-1,267.2	777.0	1,254.7	0.00	0.00	
6,800.0	91,10	180.91	5,413.8	-1,367.1	775.4	1,354.7	0.00	0.00	
6,900.0	91.10	180.91	5,411.8	<i>-</i> 1,467.1	773.8	1,454.6	0.00	0.00	
7,000.0	91.10	180.91	5,409.9	-1,567.1	772.2	1,554.6	0.00	0.00	
7,100.0	91.10	180.91	5,408.0	-1,667.0	770.6	1,654.6	0.00	0.00	
7,200.0	91.10	180.91	5,406.1	-1,767.0	769.0	1,754.6	0.00	0.00	
7,300.0	91.10	180.91	5,404.2	-1,867.0	767.4	1,854.6	0.00	0.00	
7,400.0	91.10	180.91	5,402.3	-1,967.0	765.8	1,954.5	0.00	0.00	
7,500.0	91.10	180.91	5,400.3	-2,066.9	764.3	2,054.5	0.00	0.00	
7,600.0	91.10	180.91	5,398.4	-2,166.9	762.7	2,154.5	0.00	0.00	
•									
7,700.0	91.10	180.91	5,396.5	-2,266.9	761.1	2,254.5	0.00	0.00	
7,800.0	91.10	180.91	5,394.6	-2,366.8	759.5	2,354.5	0.00	0.00	
7,900.0	91.10	180.91	5,392.7	-2,466.8	757.9	2,454.5	0.00	0.00	
8,000.0	91.10	180.91	5,390.8	-2,566.8	756.3	2,554.4	0.00	0.00	
8,100.0	91.10	180.91	5,388.8	-2,666.7	754.7	2,654.4	0.00	0.00	
8,200.0	91.10	180.91	5,386.9	-2,766.7	753.1	2,754.4	0.00	0.00	•
8,300.0	91.10	180.91	5,385.0	-2,866.7	751.5	2,854.4	0.00	0.00	
8,400.0	91.10	180.91	5,383.1	-2,966.6	749.9	2,954.4	0.00	0.00	

Database:

USA EDM 5000 Multi Users DB

Company:

: EnCana Oil & Gas (USA) Inc

Project: Site:

Sandoval County, NM S12-T22N-R6W

Well:

Lybrook P12-2206 02H

Wellbore: Design:

Hz Plan #3 Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well Lybrook P12-2206 02H

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16' KB @ 7083.0ft 16' KB @ 7083.0ft

True

Minimum Curvature

fleasured Depth (ft)	Inclination	Azimuth	Vertical Depth (ft)	+N/-S (ft)	+E/-W	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
	(°) 91.10	(°)		•	(ft)				
8,600.0		180.91	5,379.3	-3,166.6	746.8	3,154.3	0.00	0.00	
8,700.0	91.10	180.91	5,377.3	-3,266.6	745.2	3,254.3	0.00	0.00	
8,800.0	91.10	180.91	5,375.4	-3,366.5	743.6	3,354.3	0.00	0.00	
8,900.0	91.10	180.91	5,373.5	-3,466.5	742.0	3,454.3	0.00	0.00	
9,000.0	91.10	180.91	5,371.6	-3,566.5	740.4	3,554.3	0.00	0.00	
9,100.0	91.10	180.91	5,369.7	-3,666.4	738.8	3,654.2	0.00	0.00	
9,200.0	91.10	180.91	5,367.8	-3,766.4	737.2	3,754.2	0.00	0.00	
9,300.0	91.10	180.91	5,365.8	-3,866.4	735.6	3,854.2	0.00	0.00	
9,400.0	91.10	180.91	5,363.9	-3,966.3	734.0	3,954.2	0.00	0.00	
9,500.0	91.10	180.91	5,362.0	-4,066.3	732.5	4,054.2	0.00	0.00	
9,600.0	91.10	180.91	5,360.1	-4,166.3	730.9	4,154.1	0.00	0.00	
9,700.0	91.10	180.91	5,358.2	-4,266.2	729.3	4,254.1	0.00	0.00	
9,800.0	91.10	180.91	5,356.3	-4,366.2	727.7	4,354.1	0.00	0.00	
9,900.0	91.10	180.91	5,354.4	-4,466.2	726.1	4,454.1	0.00	0.00	
0.000,01	91.10	180,91	5,352.4	-4,566.2	724.5	4,554.1	0.00	0.00	
10,100.0	91.10	180.91	5,350.5	-4,666.1	722.9	4,654.1	0.00	0.00	1
10,200.0	91.10	180.91	5,348.6	-4,766.1	721.3	4,754.0	0.00	0.00	
10,300.0	91.10	180.91	5,346.7	-4,866.1	719.7	4,854.0	0.00	0.00	
10,400.0	91.10	180.91	5,344.8	-4,966.0	718.1	4,954.0	0.00	0.00	
10,500.0	91.10	180.91	5,342.9	-5,066.0	716.6	5,054.0	0.00	0.00	
10,600.0	91.10	180.91	5,340.9	-5,166.0	715.0	5,154.0	0.00	0.00	
10,700.0	91.10	180.91	5,339.0	-5,265.9	713.4	5,253.9	0.00	0.00	
10,800.0	91.10	180.91	5,337.1	-5,365.9	711.8	5,353.9	0.00	0.00	
10,900.0	91.10	180.91	5,335.2	-5,465.9	710.2	5,453.9	0.00	0.00	
11,000.0	91.10	180.91	5,333.3	-5,565.8	708.6	5,553.9	0.00	0.00	
11,100.0	91.10	180.91	5,331.4	-5,665.8	707.0	5,653.9	0.00	0.00	
11,200.0	91.10	180.91	5,329.4	-5,765.8	705.4	5,753.9	0.00	0.00	
11,300.0	91.10	180.91	5,327.5	-5,865.8	703.8	5,853.8	0.00	0.00	
11,400.0	91.10	180.91	5,325.6	-5,965.7	702.2	5,953.8	0.00	0.00	
11,500.0	91.10	180.91	5,323.7	-6,065.7	700.7	6,053.8	0.00	0.00	
11,600.0	91.10	180.91	5,321.8	-6,165.7	699.1	6,153.8	0.00	0.00	
11,700.0	91.10	180.91	5,319.9	-6,265.6	697.5	6,253.8	0.00	0.00	
11,800.0	91.10	180.91	5,317.9	-6,365.6	695.9	6,353.7	0.00	0.00	
11,900.0	91.10	180.91	5,316.0	-6,465.6	694.3	6,453.7	0.00	0.00	
12,000.0	91.10	180.91	5,314.1	-6,565.5	692.7	6,553.7	0.00	0.00	
12,100.0	91.10	180.91	5,312.2	-6,665.5	691.1	6,653.7	0.00	0.00	
12,200.0	91.10	180.91	5,310.3	-6,765.5	689.5	6,753.7	0.00	0.00	
12,300.0	91.10	180.91	5,308.4	-6,865.4	687.9	6,853.7	0.00	0.00	
12,400.0	91.10	180.91	5,306.4	-6,965.4	686.3	6,953.6	0.00	0.00	
12,500.0	91,.10	180.91	5,304.5	-7,065.4	684.7	7,053.6	0.00	0.00	
12,600.0	91.10	180.91	5,302.6	-7,165.4	683.2	7,153.6	0.00	0.00	
12,700.0	91.10	180.91	5,300.7	-7,265.3	681.6	7,253.6	0.00	0.00	•
12,700.0	91.10	180.91	5,298.8	-7,365.3	680.0	7,353.6	0.00	0.00	
12,800.0	91.10	180.91	5,296.9	-7,465.3	678.4	7,453.5	0.00	0.00	
13,000.0	91.10	180.91	5,294.9	-7,565.2	676.8	7,553.5	0.00	0.00	
13,100.0	91.10	180.91	5,293.0	-7,665.2	675.2	7,653.5	0.00	0.00	
,		180.91	5,291.1	-7,765.2	673.6	7,753.5	0,00	0.00	
13,200.0	91.10								

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well Lybrook P12-2206 02H	:
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	16' KB @ 7083.0ft	٠,
Project:	Sandoval County, NM	, MD Reference:	16' KB @ 7083.0ft	:
Site:	S12-T22N-R6W	North Reference:	True	
Well:	Lybrook P12-2206 02H	Survey Calculation Method:	, Minimum Curvature	
Wellbore:	. Hz	1	•	:;
Design:	Plan #3	:		11
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									•
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Lybrook P12-2206 02H I - plan misses target o - Point	0.00 enter by 132	0.00 8.4ft at 5938	5,430.6 .6ft MD (543	-484.9 0.3 TVD, -506	-539.2 3.0 N, 789.1 E	1,873,683.97)	1,295,696.22	36.143800 ,	-107.417560
Lybrook P12-2206 02H F - plan misses target o - Point	0.00 enter by 0.2	0.00 ft at 5926.2ft	5,430.7 MD (5430.5	-493.6 TVD, -493.6 N	789.3 N, 789.3 E)	1,873,659.30	1,297,024.51	36.143776	-107.413061
Lybrook P12-2206 02H F - plan misses target c - Point	0.00 enter by 133	0.00 0.5ft at 1324	5,315.5 7.6ft MD (52	-7,813.4 90.2 TVD, -78	-657.4 312.7 N, 672.9	1,866,357.39 E)	1,295,490.02	36.123670	-107.417960
Lybrook P12-2206 02H f - plan hits target cent - Point	0.00 er	0.00	5,290.2	-7,812.7	672.9	1,866,342.17	1,296,820.23	36.123672	-107.413456
Lybrook P12-2206 02H f - plan hits target cent - Point	0.00 er	0.00	5,290.2	-7,812.7	672.9	1,866,342.17	1,296,820.23	36.123672	-107.413456

5,519.4	5,312.2 ICP @ 55°	0.000	0.000
500.0	500.0 9 5/8"	0.000	0.000
 1,430.0	1,418.0 Ojo Alamo Ss.	-1.10	180.91
1,531.9	1,515.0 Kirtland Shale	-1.10	180.91
1,730.3	1,702.0 Fruitland Coal	-1.10	180.91
1,952.0	1,911.0 Pictured Cliffs Ss.	-1.10	180.91
2,066.6	2,019.0 Lewis Shale	-1.10	180.91
2,834.8	2,743.0 Cliffhouse Ss.	-1.10	180.91
3,558.1	3,437.0 Menefee Fn.	-1.10	180.91
4,261.3	4,138.0 Point Lookout Ss.	-1,10	180.91
4,440.3	4,317.0 Mancos Shale	-1.10	180.91
5,032.7	4,909.0 Mancos Silt	-1.10	180.91
5,344.7	5,192.0 Gallup Fn.	-1.10	180.91

Measured	Vertical	Local Coor	dinates	
Depth	Depth	+N/-S	+E/-W	
(ft)	(ft)	(ft)	(ft)	Comment
600.0	600.0	0.0	0.0	KOP @ 600'
1,565.1	1,546.9	30.7	158.1	EOB; INC=19.3°
3,055.0	2,953.1	124.4	641.5	Start Drop -2.00
4,020.0	3,900.0	155.1	799.6	EOD; INC=0°
4,914.0	4,794.0	155.1	799.6	Start DLS 9.00 TFO 180.91
5,926.2	5,430.5	-493.6	789.3	LP @ 5430' TVD; 91.1°
13,247.6	5,290.2	-7,812.7	672.9	TD at 13247.6

SHL: SESE Section 12, T22N, R6W

159' FSL and 1197' FEL

BHL: SENE Section 24, T22N, R6W

2310' FNL and 400' FEL Sandoval County, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

Any trees smaller than 3-inches in diameter, slash and brush will be chipped, shredded or mulched and incorporated into the topsoil for later use in interim reclamation.

Remaining brush will be brush-hogged or scalped at ground-level prior to ground disturbance.

2. After removal of vegetation, topsoil will be segregated and windrowed on the edge of the well pad in the construction zone. Topsoil will be defined as the top 6- inches of soil. The stockpiled topsoil will be free of brush and tree limbs, trunks and root balls, but may include chipped or mulched material so long as it is incorporated into the topsoil stockpile.

Topsoil will be stockpiled separate from subsoil with a noticeable gap left between the stockpiles. Vehicle/equipment traffic will be prevented from crossing topsoil stockpiles.

Topsoil will not be stripped when soils are moisture-saturated or frozen below the stripping depth.

If the location becomes prone to wind or water erosion, Encana will take appropriate measures to prevent topsoil loss from wind. Such measures may include using tackifiers or water to wet the topsoil stockpile so that a crust is created across the exposed soil to prevent soil loss.

All construction materials for the well pad will consist of native borrow and subsoil
accumulated during well pad construction. If additional fill or surfacing material is required, it
will be obtained from existing permitted or private sources and will be hauled in by trucks over
existing access roads.

The maximum cut will be approximately 11.4 feet on the south west corner (Corner #2) and the maximum fill will be approximately 8.7 feet on the north east corner (Corner #5).

- 4. As determined during the onsite on July 9, 2014, the following best management practices will be implemented:
 - a. Water will be diverted around the pad and silt traps installed upon interim reclamation. See Sheet G-2 for details.
- 5. Construction equipment may include chain saws, a brush hog, scraper, maintainer, excavator, and dozer. Construction for the access road and well pad will take approximately 2 to 4 weeks.

C., Pipeline

See the Final Modifications to the Standard SF-299 Application (NMNM 130037) for authorization to construct, operate, maintain and terminate a 2,201 foot (0.42 miles), up to 6-inch outside diameter, buried steel well connect pipeline that was submitted to the BLM concurrently with this Application for Permit to Drill.

7. METHODS FOR HANDLING WASTE

A. Cuttings

 A closed-loop system will be used. Cuttings will be moved through a shaker system on the drill rig that separates drilling fluids from the cuttings. Cuttings will be stored onsite in aboveground storage tanks. Cuttings will be pulled from the storage tanks, mixed with saw dust or similar absorbent material, and disposed of at the Envirotech, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.

ENCANA OIL & GAS (USA) INC.

LYBROOK P12-2206 #02H
159' FSL & 1197' FEL
LOCATED IN THE SE/4 SE/4 OF SECTION 12
T22N, R06W, N.M.P.M.
SANDOVAL COUNTY, NEW MEXICO
1,953' +/- OF NEW ACCESS

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 550 & US HWY 64 IN BLOOMFIELD, NEW MEXICO, TRAVEL SOUTH ON HWY 550 FOR 54.4 MILES TO THE TOWN OF COUNSELOR AND THE INTERSECTION WITH INDIAN SERVICE ROAD 474.
- 2) TURN RIGHT (SOUTH) ON INDIAN SERVICE ROAD 474 FOR 3.5 MILES TO AN OIL FIELD SERVICE ROAD ON THE LEFT.
- 3) TURN LEFT (SOUTHEASTERLY) ON THE OILFIELD SERVICE ROAD AND PROCEED 1.9 MILES TO THE PROPOSED ENCANA LYBROOK P12-2206 ACCESS ROAD ON THE RIGHT (SOUTHWEST).
- 4) CONTINUE 1,953' ALONG STAKED ROAD TO STAKED ENCANA LYBROOK P12-2206 LOCATION.
- 5) WELL FLAG LOCATED AT: LATITUDE: 36.145132° N, LONGITUDE: 107.415734° W (NAD 83)

