

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach Division Director
Oil Conservation Division



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: 3-2-15

Well information;

Operator Encana, Well Name and Number Escrito M19 2408 #2H

API# 30-045-35651, Section 19, Township 24 NS, Range 08 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 NSL DHC
- ☐ 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
- ☒ 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.

APD Held for corrected c-102 rec'd on 1-27-16


NMOCD Approved by Signature

2-5-2016
Date KC

OIL CONS. DIV DIST. 3

SEP 23 2015

Form 3160-3
(March 2012)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

RECEIVED

MAR 03 2015

Bureau of Land Management

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 54981, NM 54980
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Encana Oil & Gas (USA) Inc.		7. If Unit or CA Agreement, Name and No. Pending NMNM130591
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. (include area code) 720-876-3533	8. Lease Name and Well No. Escrito N19-2408 02H
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1085' FSL, 2065' FWL, Section 19, T24N, R8W SESW At proposed prod. zone 1305' FSL, 330' FEL, Section 30, T24N, R8W SESE		9. API Well No. 30-045-35651
14. Distance in miles and direction from nearest town or post office* +/- 37.3 miles South from the intersection of HWY 64 & US HWY 550 in Bloomfield, NM		10. Field and Pool, or Exploratory Basin Mancos
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) BHL is 330 FEL Section 30, T24N, R8W	16. No. of acres in lease NM 54981- 321.16 acres NM 54980- 320 acres	11. Sec., T. R. M. or Blk. and Survey or Area Section 19, T24N, R8W NMPM Sec 30, T24N, R8W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SHL is +/- 30' West of Escrito N19-2408 01H	19. Proposed Depth 5075' TVD, 10925' MD	12. County or Parish San Juan
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6792' GL; 6808' KB	22. Approximate date work will start* 08/25/2015	13. State NM
17. Spacing Unit dedicated to this well 641.16 acres- Section 30, T24N, R8W		
20. BLM/BIA Bond No. on file COB-000235		
23. Estimated duration 20 days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed/Typed) Katie Wegner	Date 3/2/15
Title Regulatory Analyst		
Approved by (Signature) 	Name (Printed/Typed) AFEN	Date 9/17/15
Title AFEN	Office FFU	

Application approval 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.

Conditions of approval, if any, are attached.

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.

(Continued on page 2)

DRILLING OPERATIONS
AUTHORIZED ARE SUBJECT TO
COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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

*(Instructions 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

NMOCDAV

17 **OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location and has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Katie Wegner 1/19/16
Signature Date

Katie Wegner
Printed Name

Katie.wegner@encana.com
E-mail Address

18 **SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

January 12, 2016
Date of Survey

Richard L. Mulliken
Signature and Seal of Professional Surveyor:



RICHARD L. MULLIKEN
Certificate Number 16873

Escrito N19-2408 02H
SHL: 1085' FSL, 2065' FWL, Sec 19, T24N R8W
BHL: 1305' FSL, 330' FEL, Sec 30, T24N R8W
San Juan, 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
San Jose Fn.	n/a
Nacimiento Fn.	surface
Ojo Alamo Ss.	962
Kirtland Shale	1,189
Fruitland Coal	1,444
Pictured Cliffs Ss.	1,728
Lewis Shale	1,822
Cliffhouse Ss.	2,565
Menefee Fn.	3,232
Point Lookout Ss.	4,129
Mancos Shale	4,352
Mancos Silt	4,769
Gallup Fn.	5,047
Base Gallup	5,378

The referenced surface elevation is 6792', KB 6808'

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

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,444
Oil/Gas	Pictured Cliffs Ss.	1,728
Oil/Gas	Cliffhouse Ss.	2,565
Gas	Menefee Fn.	3,232
Oil/Gas	Point Lookout Ss.	4,129
Oil/Gas	Mancos Shale	4,352
Oil/Gas	Mancos Silt	4,769
Oil/Gas	Gallup Fn.	5,047

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

Escrito N19-2408 02H

SHL: 1085' FSL, 2065' FWL, Sec 19, T24N R8W

BHL: 1305' FSL, 330' FEL, Sec 30, T24N R8W

San Juan, New Mexico

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'-5344'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5244'-10925'	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

Escrito N19-2408 02H

SHL: 1085' FSL, 2065' FWL, Sec 19, T24N R8W

BHL: 1305' FSL, 330' FEL, Sec 30, T24N R8W

San Juan, New Mexico

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'-5344'	100% open hole excess Stage 1 Lead: 497 sks Stage 1 Tail: 380 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	5244'- 10925'	50% OH excess Stage 1 Blend Total: 320sks	Blend: Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwoc 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	5075'/10925'	Gallup

Escrito N19-2408 02H

SHL: 1085' FSL, 2065' FWL, Sec 19, T24N R8W

BHL: 1305' FSL, 330' FEL, Sec 30, T24N R8W

San Juan, New Mexico

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'-4994'/5344'	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"	4994'/5344'- 5075'/10925'	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 +/- 2398 psi based on a 9.0 ppg at 5124' TVD of the horizontal lateral target. No abnormal pressure or temperatures are anticipated.

No hydrogen sulfide gas is anticipated, however, if H₂S 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 August 25, 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: 1085' FSL, 2065' FWL, Sec 19, T24N R8E			Encana Natural Gas				ENG: 0 RIG: Unassigned GLE: 6792.4 RKBE: 6808.4			3/2/15	
County: San Juan			WELL SUMMARY								
WELL: Escrito N19-2408 02H											
MWD	OPEN HOLE	FORM	DEPTH			HOLE	CASING	MW	DEVIATION		
LWD	LOGGING		TVD	MD						SIZE	SPECS
			60	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 anti-collision report prior to spud	None	San Jose Fn.	0			12 1/4	9 5/8" 36ppf J55 LTC 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°		
		Nacimiento Fn. 9 5/8" Csg	surface 500	500.00							
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	962 1,189			8 3/4	7" 26ppf J55 LTC TOC @ surface (100% OH excess - 70% Lead 30% Tail) Stage 1 Total: 878sks Stage 1 Lead: 497 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.	Fresh Wtr 8.3-10	Vertical <1°		
		Fruitland Coal	1,444								
Surveys every 30' through the curve	Mud logger onsite	Pictured Cliffs Ss.	1,728				Stage 1 Tail: 380 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.				
		Lewis Shale	1,822								
		Cliffhouse Ss.	2,565								
		Menefee Fn.	3,232								
		Point Lookout Ss.	4,129								
		Mancos Shale	4,352								
		KOP	600	600							
		Mancos Silt	4,769								
		Gallup Fn.	5,047								
		7" Csg	4,994	5,344'							
Surveys every stand to TD unless directed otherwise by Geologist	No OH Logs	Horizontal Target TD	5,124 5,075	10,925		6 1/8	100' overlap at liner top		Horz Inc/TVD 90.52deg/5124.4ft		
		Base Gallup	5,378				5581' Drilled Lateral		TD = 10925.2 MD		
MWD Gamma Directional							4 1/2" 11.6ppf SB80 LTC TOC @ hanger (50% OH excess) Stage 1 Total: 320sks Stage 1 Blend: 320 sks Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwoc 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 600', 8 3/4 inch holesize
- 5) Start curve at 10deg/100' build rate
- 6) Drill to csg point of 5344' MD
- 7) R&C 7" csg, circ cmt to surface
- 8) Land at ~55 deg, drill lateral to 10925' run 4 1/2 inch cemented liner



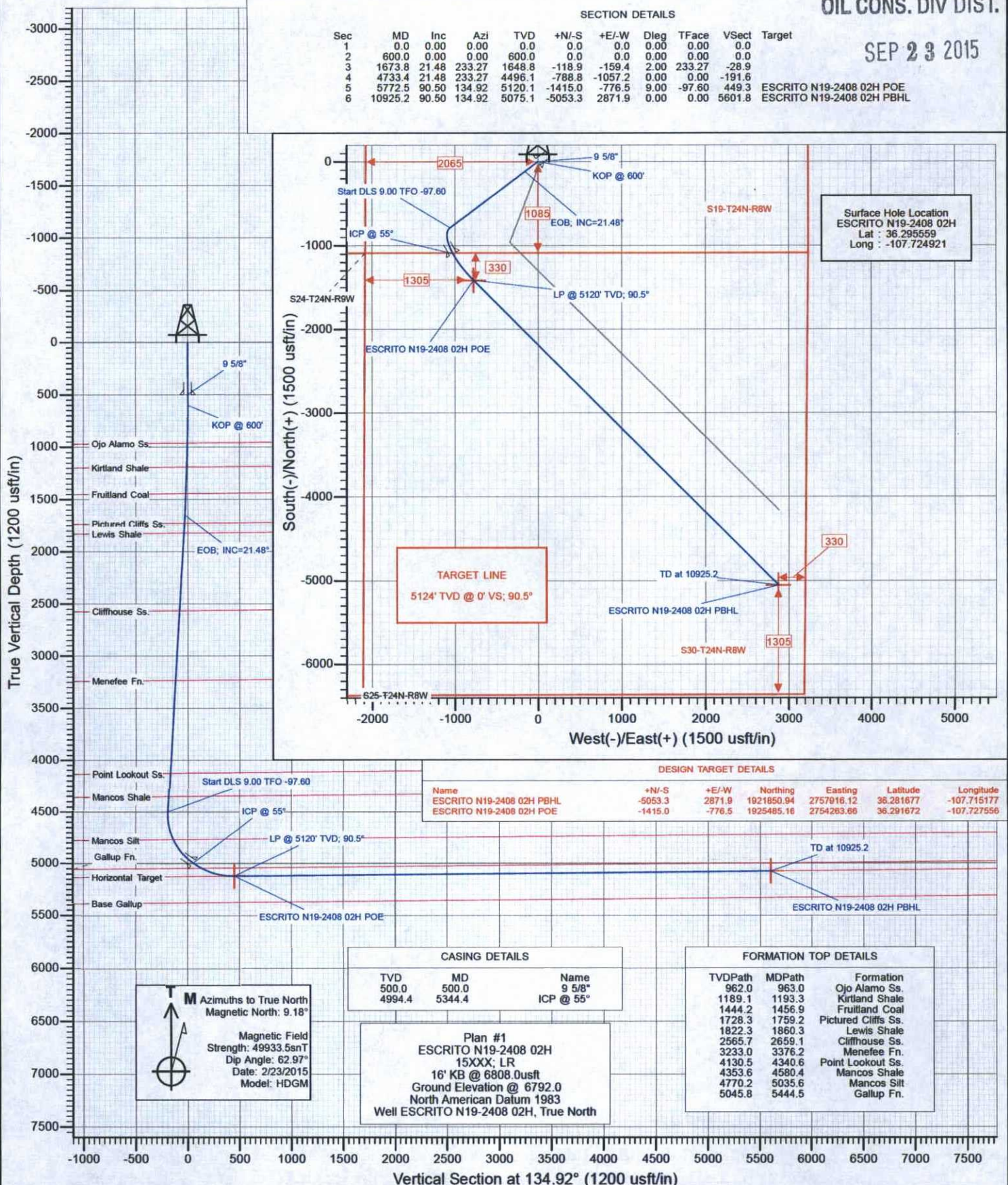
Project: San Juan County, NM
Site: S19-T24N-R9W
Well: ESCRITO N19-2408 02H
Wellbore: HZ
Design: Plan #1



OIL CONS. DIV DIST. 3

SEP 23 2015

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	600.0	0.00	0.00	600.0	0.0	0.0	0.00	0.00	0.0	
3	1673.8	21.48	233.27	1648.8	-118.9	-159.4	2.00	233.27	-28.9	
4	4733.4	21.48	233.27	4496.1	-788.8	-1057.2	0.00	0.00	-191.6	
5	5772.5	90.50	134.92	5120.1	-1415.0	-776.5	9.00	-97.60	449.3	ESCRITO N19-2408 02H POE
6	10925.2	90.50	134.92	5075.1	-5053.3	2871.9	0.00	0.00	5601.8	ESCRITO N19-2408 02H PBHL



Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S19-T24N-R9W
 Well: ESCRITO N19-2408 02H
 Wellbore: HZ
 Design: Plan #1

Local Co-ordinate Reference: Well ESCRITO N19-2408 02H
 TVD Reference: 16' KB @ 6808.0usft
 MD Reference: 16' KB @ 6808.0usft
 North Reference: True
 Survey Calculation Method: Minimum Curvature

Project San Juan County, NM

Map System: US State Plane 1983 System Datum: Mean Sea Level
 Geo Datum: North American Datum 1983
 Map Zone: New Mexico Western Zone

Site S19-T24N-R9W

Site Position: Northing: 1,930,258.01 usft Latitude: 36.304830
 From: Lat/Long Easting: 2,721,681.30 usft Longitude: -107.838120
 Position Uncertainty: 0.0 usft Slot Radius: 13-3/16" Grid Convergence: 0.00 °

Well ESCRITO N19-2408 02H

Well Position +N/-S 0.0 usft Northing: 1,926,900.99 usft Latitude: 36.295559
 +E/-W 0.0 usft Easting: 2,755,038.59 usft Longitude: -107.724921
 Position Uncertainty 0.0 usft Wellhead Elevation: 0.0 usft Ground Level: 6,792.0 usft

Wellbore HZ

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	2/23/2015	9.18	62.97	49,934

Design Plan #1

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	134.92

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	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	
1,673.8	21.48	233.27	1,648.8	-118.9	-159.4	2.00	2.00	0.00	233.27	
4,733.4	21.48	233.27	4,496.1	-788.8	-1,057.2	0.00	0.00	0.00	0.00	
5,772.5	90.50	134.92	5,120.1	-1,415.0	-776.5	9.00	6.64	-9.47	-97.60	ESCRITO N19-2408 (
10,925.2	90.50	134.92	5,075.1	-5,053.3	2,871.9	0.00	0.00	0.00	0.00	ESCRITO N19-2408 (

Planning Report

Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S19-T24N-R9W
 Well: ESCRITO N19-2408 02H
 Wellbore: HZ
 Design: Plan #1

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

Well ESCRITO N19-2408 02H
 16' KB @ 6808.0usft
 16' KB @ 6808.0usft
 True
 Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	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	233.27	700.0	-1.0	-1.4	-0.3	2.00	2.00	
800.0	4.00	233.27	799.8	-4.2	-5.6	-1.0	2.00	2.00	
900.0	6.00	233.27	899.5	-9.4	-12.6	-2.3	2.00	2.00	
963.0	7.26	233.27	962.0	-13.7	-18.4	-3.3	2.00	2.00	Ojo Alamo Ss.
1,000.0	8.00	233.27	998.7	-16.7	-22.3	-4.0	2.00	2.00	
1,100.0	10.00	233.27	1,097.5	-26.0	-34.9	-6.3	2.00	2.00	
1,193.3	11.87	233.27	1,189.1	-36.6	-49.1	-8.9	2.00	2.00	Kirtland Shale
1,200.0	12.00	233.27	1,195.6	-37.4	-50.2	-9.1	2.00	2.00	
1,300.0	14.00	233.27	1,293.1	-50.9	-68.2	-12.4	2.00	2.00	
1,400.0	16.00	233.27	1,389.6	-66.4	-88.9	-16.1	2.00	2.00	
1,456.9	17.14	233.27	1,444.2	-76.1	-101.9	-18.5	2.00	2.00	Fruitland Coal
1,500.0	18.00	233.27	1,485.3	-83.8	-112.4	-20.4	2.00	2.00	
1,600.0	20.00	233.27	1,579.8	-103.3	-138.5	-25.1	2.00	2.00	
1,673.8	21.48	233.27	1,648.8	-118.9	-159.4	-28.9	2.00	2.00	EOB; INC=21.48°
1,700.0	21.48	233.27	1,673.2	-124.7	-167.1	-30.3	0.00	0.00	
1,759.2	21.48	233.27	1,728.3	-137.6	-184.5	-33.4	0.00	0.00	Pictured Cliffs Ss.
1,800.0	21.48	233.27	1,766.3	-146.6	-196.4	-35.6	0.00	0.00	
1,860.3	21.48	233.27	1,822.3	-159.8	-214.1	-38.8	0.00	0.00	Lewis Shale
1,900.0	21.48	233.27	1,859.3	-168.5	-225.8	-40.9	0.00	0.00	
2,000.0	21.48	233.27	1,952.4	-190.4	-255.1	-46.2	0.00	0.00	
2,100.0	21.48	233.27	2,045.4	-212.3	-284.5	-51.6	0.00	0.00	
2,200.0	21.48	233.27	2,138.5	-234.1	-313.8	-56.9	0.00	0.00	
2,300.0	21.48	233.27	2,231.6	-256.0	-343.2	-62.2	0.00	0.00	
2,400.0	21.48	233.27	2,324.6	-277.9	-372.5	-67.5	0.00	0.00	
2,500.0	21.48	233.27	2,417.7	-299.8	-401.8	-72.8	0.00	0.00	
2,600.0	21.48	233.27	2,510.7	-321.7	-431.2	-78.2	0.00	0.00	
2,659.1	21.48	233.27	2,565.7	-334.7	-448.5	-81.3	0.00	0.00	Cliffhouse Ss.
2,700.0	21.48	233.27	2,603.8	-343.6	-460.5	-83.5	0.00	0.00	
2,800.0	21.48	233.27	2,696.8	-365.5	-489.9	-88.8	0.00	0.00	
2,900.0	21.48	233.27	2,789.9	-387.4	-519.2	-94.1	0.00	0.00	
3,000.0	21.48	233.27	2,883.0	-409.3	-548.6	-99.4	0.00	0.00	
3,100.0	21.48	233.27	2,976.0	-431.2	-577.9	-104.7	0.00	0.00	
3,200.0	21.48	233.27	3,069.1	-453.1	-607.2	-110.1	0.00	0.00	
3,300.0	21.48	233.27	3,162.1	-475.0	-636.6	-115.4	0.00	0.00	
3,376.2	21.48	233.27	3,233.0	-491.6	-658.9	-119.4	0.00	0.00	Menefee Fn.
3,400.0	21.48	233.27	3,255.2	-496.9	-665.9	-120.7	0.00	0.00	
3,500.0	21.48	233.27	3,348.2	-518.8	-695.3	-126.0	0.00	0.00	
3,600.0	21.48	233.27	3,441.3	-540.6	-724.6	-131.3	0.00	0.00	
3,700.0	21.48	233.27	3,534.4	-562.5	-754.0	-136.7	0.00	0.00	
3,800.0	21.48	233.27	3,627.4	-584.4	-783.3	-142.0	0.00	0.00	
3,900.0	21.48	233.27	3,720.5	-606.3	-812.6	-147.3	0.00	0.00	
4,000.0	21.48	233.27	3,813.5	-628.2	-842.0	-152.6	0.00	0.00	
4,100.0	21.48	233.27	3,906.6	-650.1	-871.3	-157.9	0.00	0.00	
4,200.0	21.48	233.27	3,999.6	-672.0	-900.7	-163.2	0.00	0.00	
4,300.0	21.48	233.27	4,092.7	-693.9	-930.0	-168.6	0.00	0.00	

Planning Report

Database: USA EDM 5000 Multi Users DB
Company: EnCana Oil & Gas (USA) Inc
Project: San Juan County, NM
Site: S19-T24N-R9W
Well: ESCRITO N19-2408 02H
Wellbore: HZ
Design: Plan #1

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

Well ESCRITO N19-2408 02H
16' KB @ 6808.0usft
16' KB @ 6808.0usft
True
Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	Comments / Formations
4,340.6	21.48	233.27	4,130.5	-702.8	-941.9	-170.7	0.00	0.00	Point Lookout Ss.
4,400.0	21.48	233.27	4,185.8	-715.8	-959.4	-173.9	0.00	0.00	
4,500.0	21.48	233.27	4,278.8	-737.7	-988.7	-179.2	0.00	0.00	
4,580.4	21.48	233.27	4,353.6	-755.3	-1,012.3	-183.5	0.00	0.00	Mancos Shale
4,600.0	21.48	233.27	4,371.9	-759.6	-1,018.0	-184.5	0.00	0.00	
4,700.0	21.48	233.27	4,464.9	-781.5	-1,047.4	-189.8	0.00	0.00	
4,733.4	21.48	233.27	4,496.1	-788.8	-1,057.2	-191.6	0.00	0.00	Start DLS 9.00 TFO -97.60
4,800.0	21.48	216.86	4,558.0	-805.8	-1,074.3	-191.7	9.00	0.01	
4,900.0	24.30	194.73	4,650.3	-840.5	-1,090.5	-178.7	9.00	2.82	
5,000.0	29.56	178.49	4,739.6	-885.1	-1,095.1	-150.5	9.00	5.26	
5,035.6	31.81	174.01	4,770.2	-903.2	-1,093.9	-136.8	9.00	6.32	Mancos Silt
5,100.0	36.21	167.25	4,823.6	-938.7	-1,087.9	-107.5	9.00	6.83	
5,200.0	43.61	159.24	4,900.3	-999.9	-1,069.2	-51.1	9.00	7.40	
5,300.0	51.44	153.20	4,967.8	-1,067.1	-1,039.3	17.6	9.00	7.83	
5,344.4	55.00	150.94	4,994.4	-1,098.5	-1,022.6	51.6	9.00	8.02	ICP @ 55°
5,400.0	59.51	148.37	5,024.5	-1,138.9	-998.9	96.8	9.00	8.12	
5,444.5	63.16	146.48	5,045.8	-1,171.8	-977.9	135.0	9.00	8.19	Gallup Fn.
5,500.0	67.74	144.29	5,068.9	-1,213.3	-949.2	184.6	9.00	8.25	
5,600.0	76.06	140.66	5,099.9	-1,288.5	-891.4	278.7	9.00	8.32	
5,700.0	84.42	137.30	5,116.9	-1,362.8	-826.7	376.9	9.00	8.37	
5,772.5	90.50	134.92	5,120.1	-1,415.0	-776.5	449.3	9.00	8.38	LP @ 5120' TVD; 90.5° - ESCRITO N19-2408 C
5,800.0	90.50	134.92	5,119.8	-1,434.4	-757.0	476.8	0.00	0.00	
5,900.0	90.50	134.92	5,119.0	-1,505.0	-686.2	576.8	0.00	0.00	
6,000.0	90.50	134.92	5,118.1	-1,575.6	-615.4	676.8	0.00	0.00	
6,100.0	90.50	134.92	5,117.2	-1,646.2	-544.6	776.8	0.00	0.00	
6,200.0	90.50	134.92	5,116.3	-1,716.8	-473.8	876.8	0.00	0.00	
6,300.0	90.50	134.92	5,115.5	-1,787.4	-403.0	976.8	0.00	0.00	
6,400.0	90.50	134.92	5,114.6	-1,858.0	-332.2	1,076.8	0.00	0.00	
6,500.0	90.50	134.92	5,113.7	-1,928.6	-261.4	1,176.8	0.00	0.00	
6,600.0	90.50	134.92	5,112.8	-1,999.3	-190.6	1,276.7	0.00	0.00	
6,700.0	90.50	134.92	5,112.0	-2,069.9	-119.8	1,376.7	0.00	0.00	
6,800.0	90.50	134.92	5,111.1	-2,140.5	-49.0	1,476.7	0.00	0.00	
6,900.0	90.50	134.92	5,110.2	-2,211.1	21.8	1,576.7	0.00	0.00	
7,000.0	90.50	134.92	5,109.4	-2,281.7	92.6	1,676.7	0.00	0.00	
7,100.0	90.50	134.92	5,108.5	-2,352.3	163.4	1,776.7	0.00	0.00	
7,200.0	90.50	134.92	5,107.6	-2,422.9	234.2	1,876.7	0.00	0.00	
7,300.0	90.50	134.92	5,106.7	-2,493.5	305.0	1,976.7	0.00	0.00	
7,400.0	90.50	134.92	5,105.9	-2,564.1	375.8	2,076.7	0.00	0.00	
7,500.0	90.50	134.92	5,105.0	-2,634.7	446.6	2,176.7	0.00	0.00	
7,600.0	90.50	134.92	5,104.1	-2,705.4	517.5	2,276.7	0.00	0.00	
7,700.0	90.50	134.92	5,103.2	-2,776.0	588.3	2,376.7	0.00	0.00	
7,800.0	90.50	134.92	5,102.4	-2,846.6	659.1	2,476.7	0.00	0.00	
7,900.0	90.50	134.92	5,101.5	-2,917.2	729.9	2,576.7	0.00	0.00	
8,000.0	90.50	134.92	5,100.6	-2,987.8	800.7	2,676.7	0.00	0.00	
8,100.0	90.50	134.92	5,099.8	-3,058.4	871.5	2,776.7	0.00	0.00	
8,200.0	90.50	134.92	5,098.9	-3,129.0	942.3	2,876.7	0.00	0.00	
8,300.0	90.50	134.92	5,098.0	-3,199.6	1,013.1	2,976.7	0.00	0.00	
8,400.0	90.50	134.92	5,097.1	-3,270.2	1,083.9	3,076.7	0.00	0.00	
8,500.0	90.50	134.92	5,096.3	-3,340.8	1,154.7	3,176.7	0.00	0.00	
8,600.0	90.50	134.92	5,095.4	-3,411.5	1,225.5	3,276.7	0.00	0.00	
8,700.0	90.50	134.92	5,094.5	-3,482.1	1,296.3	3,376.7	0.00	0.00	
8,800.0	90.50	134.92	5,093.6	-3,552.7	1,367.1	3,476.7	0.00	0.00	

Planning Report

Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S19-T24N-R9W
 Well: ESCRITO N19-2408 02H
 Wellbore: HZ
 Design: Plan #1

Local Co-ordinate Reference: Well ESCRITO N19-2408 02H
 TVD Reference: 16' KB @ 6808.0usft
 MD Reference: 16' KB @ 6808.0usft
 North Reference: True
 Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	Comments / Formations
8,900.0	90.50	134.92	5,092.8	-3,623.3	1,437.9	3,576.7	0.00	0.00	
9,000.0	90.50	134.92	5,091.9	-3,693.9	1,508.7	3,676.7	0.00	0.00	
9,100.0	90.50	134.92	5,091.0	-3,764.5	1,579.5	3,776.6	0.00	0.00	
9,200.0	90.50	134.92	5,090.2	-3,835.1	1,650.3	3,876.6	0.00	0.00	
9,300.0	90.50	134.92	5,089.3	-3,905.7	1,721.2	3,976.6	0.00	0.00	
9,400.0	90.50	134.92	5,088.4	-3,976.3	1,792.0	4,076.6	0.00	0.00	
9,500.0	90.50	134.92	5,087.5	-4,046.9	1,862.8	4,176.6	0.00	0.00	
9,600.0	90.50	134.92	5,086.7	-4,117.6	1,933.6	4,276.6	0.00	0.00	
9,700.0	90.50	134.92	5,085.8	-4,188.2	2,004.4	4,376.6	0.00	0.00	
9,800.0	90.50	134.92	5,084.9	-4,258.8	2,075.2	4,476.6	0.00	0.00	
9,900.0	90.50	134.92	5,084.0	-4,329.4	2,146.0	4,576.6	0.00	0.00	
10,000.0	90.50	134.92	5,083.2	-4,400.0	2,216.8	4,676.6	0.00	0.00	
10,100.0	90.50	134.92	5,082.3	-4,470.6	2,287.6	4,776.6	0.00	0.00	
10,200.0	90.50	134.92	5,081.4	-4,541.2	2,358.4	4,876.6	0.00	0.00	
10,300.0	90.50	134.92	5,080.6	-4,611.8	2,429.2	4,976.6	0.00	0.00	
10,400.0	90.50	134.92	5,079.7	-4,682.4	2,500.0	5,076.6	0.00	0.00	
10,500.0	90.50	134.92	5,078.8	-4,753.0	2,570.8	5,176.6	0.00	0.00	
10,600.0	90.50	134.92	5,077.9	-4,823.7	2,641.6	5,276.6	0.00	0.00	
10,700.0	90.50	134.92	5,077.1	-4,894.3	2,712.4	5,376.6	0.00	0.00	
10,800.0	90.50	134.92	5,076.2	-4,964.9	2,783.2	5,476.6	0.00	0.00	
10,900.0	90.50	134.92	5,075.3	-5,035.5	2,854.0	5,576.6	0.00	0.00	
10,925.2	90.50	134.92	5,075.1	-5,053.3	2,871.9	5,601.8	0.00	0.00	TD at 10925.2 - ESCRITO N19-2408 02H PBHI

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
ESCRITO N19-2408 02H - plan hits target center - Point	0.00	0.00	5,075.1	-5,053.3	2,871.9	1,921,850.94	2,757,916.12	36.281677	-107.715177
ESCRITO N19-2408 02H - plan hits target center - Point	0.00	0.00	5,120.1	-1,415.0	-776.5	1,925,485.16	2,754,263.66	36.291672	-107.727556

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
500.0	500.0	9 5/8"	0	0
5,344.4	4,994.4	ICP @ 55°	0	0

Planning Report

Database: USA EDM 5000 Multi Users DB
Company: EnCana Oil & Gas (USA) Inc
Project: San Juan County, NM
Site: S19-T24N-R9W
Well: ESCRITO N19-2408 02H
Wellbore: HZ
Design: Plan #1

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

Well ESCRITO N19-2408 02H
 16' KB @ 6808.0usft
 16' KB @ 6808.0usft
 True
 Minimum Curvature

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
963.0	962.0	Ojo Alamo Ss.		-0.50	134.92
1,193.3	1,189.0	Kirtland Shale		-0.50	134.92
1,456.9	1,444.0	Fruitland Coal		-0.50	134.92
1,759.2	1,728.0	Pictured Cliffs Ss.		-0.50	134.92
1,860.3	1,822.0	Lewis Shale		-0.50	134.92
2,659.1	2,565.0	Cliffhouse Ss.		-0.50	134.92
3,376.2	3,232.0	Menefee Fn.		-0.50	134.92
4,340.6	4,129.0	Point Lookout Ss.		-0.50	134.92
4,580.4	4,352.0	Mancos Shale		-0.50	134.92
5,035.6	4,769.0	Mancos Silt		-0.50	134.92
5,444.5	5,047.0	Gallup Fn.		-0.50	134.92

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
600.0	600.0	0.0	0.0	KOP @ 600'
1,673.8	1,648.8	-118.9	-159.4	EOB; INC=21.48°
4,733.4	4,496.1	-788.8	-1,057.2	Start DLS 9.00 TFO -97.60
5,772.5	5,120.1	-1,415.0	-776.5	LP @ 5120' TVD; 90.5°
10,925.2	5,075.1	-5,053.3	2,871.9	TD at 10925.2

Escrito N19-2408 02H

SHL: SESW Section 19, T24N, R8W
1085 FSL and 2065 FWL

BHL: SESE Section 30, T24N, R8W
1305 FSL and 330 FEL

San Juan County, New Mexico

Lease Number: NM 54981 & NM 54980

An existing fence line will be cut and braced for the pipeline installation. H-braces will be installed prior to cutting the fence. The H-braces will be constructed in accordance with the BLM Gold Book standard.

7. METHODS FOR HANDLING WASTE

A. Cuttings

1. 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 above-ground 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.
2. The closed-loop system storage tanks will be adequately sized to ensure confinement of all fluids and will provide sufficient freeboard to prevent uncontrolled releases.
3. A 20-mil liner will be installed under tanks, pumps, ancillary facilities, and truck loading/unloading areas associated with the closed-loop system.

B. Drilling Fluids

1. A closed-loop system will be used. Drilling fluids will be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. Residual fluids will be vacuumed from the storage tanks and disposed of at Basin Disposal, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.
2. The closed-loop system storage tanks will be adequately sized to ensure confinement of all fluids and will provide sufficient freeboard to prevent uncontrolled releases.
3. The closed-loop system storage tanks will be placed in bermed secondary containment sized to accommodate a minimum of 110 percent of the volume of the largest storage tank.
4. A 20-mil liner will be installed under tanks, pumps, ancillary facilities, and truck loading/unloading areas associated with the closed-loop system.

C. Flowback Water

1. The water-based solution that flows back to the surface during and after completion operations will be placed in storage tanks on the location.
2. Flowback water will be confined to a storage tank for a period not to exceed 90 days after initial production and will be disposed of at Basin Disposal, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.

D. Spills – any spills of non-freshwater fluids will be immediately cleaned up and removed to an approved disposal site. Encana will also notify the BLM within 24 hours of any spill.

E. Sewage – self-contained, chemical toilets will be provided for human waste disposal. The toilet holding tanks will be pumped, as needed, and the contents thereof disposed of in an approved sewage disposal facility. The toilets will be onsite during all operations.

F. Garbage and other waste material – garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash container during drilling and completion

ENCANA OIL & GAS (USA) INC.

ESCRITO N19-2408 #02H

1085' FSL & 2065' FWL

LOCATED IN THE SE/4 SW/4 OF SECTION 19

T24N, R08W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

1,580' +/- RE-ROUTE OF EXISTING ROAD ACROSS BLM LANDS

155' +/- OF NEW ACCESS ACROSS BLM LANDS

DIRECTIONS

1. Beginning in Bloomfield, N.M., follow Hwy 550 south for 35.1 miles to Indian Service Road 459.
2. Turn left (east) and follow Indian Service Road 459 for 0.7 miles to an intersection.
3. Turn left (north) staying on Indian Service Road 459 and follow for 1.4 miles to the proposed reroute of this road (ISR 459) around the proposed pad.
4. Follow the proposed reroute northeast for 0.1 mile to the proposed pad access road.
5. Follow the proposed access road for 155' to the edge of the N19 pad.
6. Well Flag Located at : LATITUDE: 36.295559° N, LONGITUDE: 107.724921° W (NAD 83)

WELLHEAD BLOWOUT CONTROL SYSTEM

encana

Well Name and Number:
Escrito N19-2408 02H

