# State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor David R. Catanach, Division Director **David Martin** Cabinet Secretary **Oil Conservation Division Tony Delfin 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: 9103 Well information; 34-2307 HOIH Operator - Nono , Well Name and Number NCODA API# 30-043-212, Section 34, Township 33 D/S, Range D EW Conditions of Approval: (See the below checked and handwritten conditions) Notify Aztec OCD 24hrs prior to casing & cement. Hold C-104 for directional survey & "As Drilled" Plat Hold C-104 for NSL (NSP. OHC ø Spacing rule violation. Operator must follow up with change of status notification on other well 0 to be shut in or abandoned Regarding the use of a pit, closed loop system or below grade tank, the operator must comply 0 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 6 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

Submit Gas Capture Plan form prior to spudding or initiating recompletion operations

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

MAY 20 2016

1





# SEP 3 0 2015

	UNITED STATE	s Fai	mington F	ield Office	OMB No Expires: Jar	APPROVED 1004-0137 mary 31, 2018
	DEPARTMENT OF THE I BUREAU OF LAND MAN	NTERIOR <sup>Burea</sup> AGEMENT	u of Land	Manager	5. Lease Serial No. NMNM 016586	
APPL	ICATION FOR PERMIT TO D	DRILL OR REE	NTER		<ol> <li>If Indian, Allotee of N/A</li> </ol>	or Tribe Name
la. Type of work:		REENTER			7. If Unit or CA Agre N/A	ement, Name and No.
<ul><li>1b. Type of Well:</li><li>1c. Type of Completion</li></ul>		Other	iltiple Zone		8. Lease Name and W Lybrook D34-2307	
2. Name of Operator Encana Oil & Gas (U	SA) Inc.				9. API Well No. 30-643	-21277
3a. Address 370 17th Street, Suite	e 1700, Denver, CO 80202	3b. Phone No. (inc 720-876-5919	lude area coa		10. Field and Pool, or Alamito-Gallup and	
At surface 1,131'	port location clearly and in accordance FNL, 316' FWL, Section 34, T23N, F cone 640' FNL, 330' FWL, Section 33	11. Sec., T. R. M. or Section 34, T23N, F	Blk. and Survey or Area			
14. Distance in miles an +/- 51 miles south from	omfield, NM		<ol> <li>County or Parish Sandoval</li> </ol>	13. State NM		
<ol> <li>Distance from propo location to nearest property or lease line (Also to nearest drig</li> </ol>	e, ft. B7W	16, No of acres in NMNM 16586: 1,			g Unit dedicated to th - N/2 N/2 of Sec. 33	
<ol> <li>Distance from properties to nearest well, drilling applied for, on this least the second secon</li></ol>	ing, completed, the Endoral B5	19. Proposed Dept 5,142' TVD; 10, 2		20. BLM/B COB-0002	IA Bond No. in file 235	
21. Elevations (Show wh 6920' GL; 6936' KB	hether DF, KDB, RT, GL, etc.)	22. Approximate d	ate work will	start*	23. Estimated duratio	n
0320 GL, 0330 KD		04/15/2016			20 days	
	d in accordance with the requirements o	24. Attachment		and the He		la par 42 CEP 2162 2 2
The following, complete (as applicable) 1. Well plat certified by a 2. A Drilling Plan. 3. A Surface Use Plan (if	ed in accordance with the requirements o a registered surveyor. If the location is on National Forest Syste with the appropriate Forest Service Office	24. Attachment of Onshore Oil and Ga of Conshore Oil and Ga tte trees Lands, the e). 4. Bo Ite 5. Of 6. Su	as Order No. ond to cover the m 20 above). perator certific	e operations	draulic Fracturing ru	
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(Continued on page 2)

\*(Instructions on page 2)

DISTRICT ] 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-8161 Fax: (575) 393-0720 DISTRICT II 811 S. First St., Artesia, N.M. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 DISTRICT III 1000 Ris Frances Rd., Artec, N.M. 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 DISTRICT IV 1820 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 478-3482

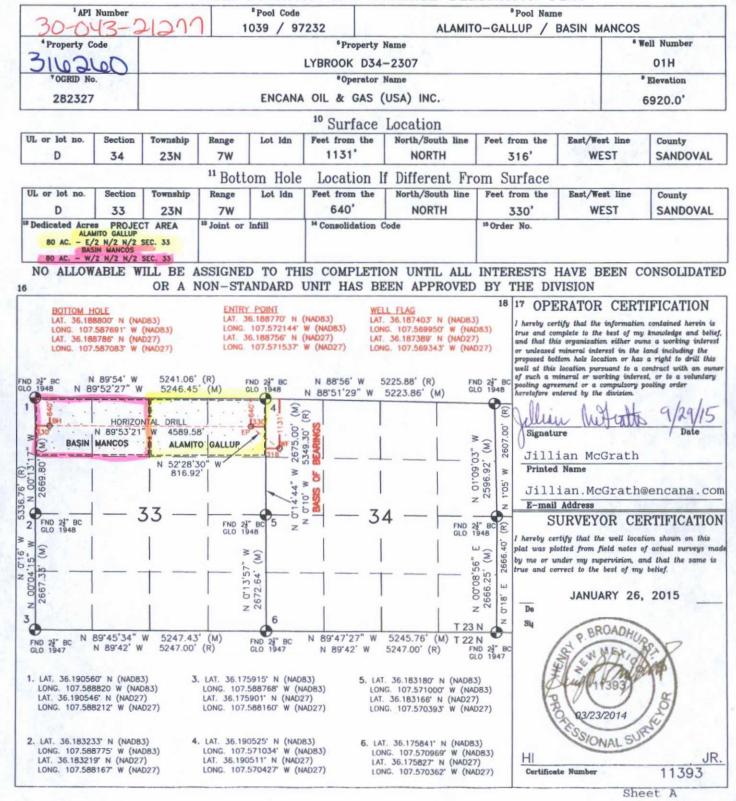
#### State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 1, 2011

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit one copy to appropriate District Office

#### □ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT



# 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
Ojo Alamo Ss.	1,033
Kirtland Shale	1,220
Fruitland Coal	1,459
Pictured Cliffs Ss.	1,591
Lewis Shale	1,706
Cliffhouse Ss.	2,407
Menefee Fn.	3,093
Point Lookout Ss.	3,978
Mancos Shale	4,157
Mancos Silt	4,689
Gallup Fn.	4,949
Payzone Top	5,192
Horizontal Target	5,206
Payzone Base	5,208
Base Gallup	5,284

The reference surface elevation is 6920', KB 6936'

### 2. ESTIMATED DEPTH OF POTENTIAL WATER, OIL, GAS,

& OTHER MINERAL BEARING FORMATIONS

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,459
Oil/Gas	Pictured Cliffs Ss.	1,591
Oil/Gas	Cliffhouse Ss.	2,407
Gas	Menefee Fn.	3,093
Oil/Gas	Point Lookout Ss.	3,978
Oil/Gas	Mancos Shale	4,157
Oil/Gas	Mancos Silt	4,689
Oil/Gas	Gallup Fn.	4,949

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

#### 3. PRESSURE CONTROL

- a) Pressure contol equipment and configuration will be designed to meet 2M standards.
- b) Working pressure on rams and BOPE will be 3,000 psi.
- c) Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- d) The Annular BOP will be pressure tested to a minimum of 50 percent of its rated working pressure.
- e) Blind and Pipe Rams/BOP will be tested against a test plug to 100 percent of rated working pressure.
- f) Pressure tests are required before drilling out from under all casing strings set and cemented in place.
- 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.
- BOP remote controls shall be located on the rig floor at a location readily accessible to the driller. Master controls shall be on the ground at the accumulator and shall have the capability to function all preventers.
- j) The kill line shall be 2-inch minimum and contain two kill line valves, one of which shall be a check valve.
- k) The choke line shall be a 2-inch minimum and contain two choke line valves (2-inch minimum).
- I) The choke and manifold shall contain two adjustable chokes.
- m) Hand wheels shall be installed on all ram preventers.
- n) Safety valves and wrenches (with subs for drill string connections) shall be available on the rig floor at all 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.

Casing	Depth (MD)	Hole Size	Csg Size	Weight	Grade
Conductor	0'-60'	26"	16"	42.09#	THE REAL
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-5643'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5543'-10232'	6 1/8"	4 1/2"	11.6#	B80*, LTC Nev

a)	The	proposed	casing	design	is	as	follows:
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And See	Casir	ng String	9	Ca	sing Strengt	Minimum Design Factors			
Size	Weight (ppf)	Grade	Connectio n	Collapse (psi)	Burst (psi)	Tensile (1000lbs)	Collapse	Burst	Tensio 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

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.

#### **Cement Volume** Cement Type & Yield Centralizers Casing Depth Designed TOC (MD) (sacks) Conductor 0'-60' 100 sks Type I Neat 16 ppg Surface None 228 sks Surface 0'-500' Type III Cement + 1% bwoc Surface 1 per joint on Calcium Chloride + 0.25 lbs/sack bottom 3 joints Cello Flake + 0.2% bwoc FL-52A + 58.9% Fresh Water Intermediate 0'-5643' 100% open hole excess Lead: PremLite + 3% CaCl + Surface 1 every 3 joints through water Stage 1 Lead: 0.25lb/sk CelloFlake + 5lb/sk LCM, 526 sks 12.1ppg 2.13cuft/sk bearing zones Stage 1 Tail: Tail: Type III Cmt + 1% CaCl + 400 sks 0.25lb/sk Cello Flake 14.5ppg 1.38cuft/sk 5543'-50% OH excess Production Blend: Premium Lite High Liner N/A Liner 10232' Stage 1 Blend Total: Strength FM + 0.7% bwoc R-3 + Hanger 267sks 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

#### b) The proposed cementing program is as follows

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	5142'/10232'	Gallup

#### 6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

			1	Viscosity	102年代1月1日 日
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'-5198'/5643	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"	5198'/5643'- 5142'/10232'	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 +/- 2436 psi based on a 9.0 ppg at 5206' 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 April 15, 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.

County: Sand		L Sec. 34, T23N, R7V 01H			ana Natural Ga /ELL SUMMARY	S		ENG: 0 RIG: Unassigned GLE: 0 RKBE: 0	9/29/15
MWD	OPEN HOLE		DEPTH	_		HOLE	CASING	MW	DEVIATION
LWD	LOGGING	FORM	TVD	MD		SIZE	SPECS	MUD TYPE	INFORMATION
			60	60'		26	16" 42.09# 100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2	
1		San Jose Fn.	0					·	1.1.1
Aulti-Well pad- take survey every stand and run anti- collision report prior to spud	None	Nacimiento Fn.	surface			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 wtr 8.3-10	Vertical <1°
		9 5/8" Csg	500	500.00	II II		Fresh Water.		8 - 1 - L
	No OH logs	Ojo Alarno Ss. Kirtland Shale Fruitland Coal	1,033 1,220 1,459				7" 26ppf J55 LTC	Fresh Wtr	
Survey Every 60'-120', updating anticollision report after		Pictured Cliffs Ss. Lewis Shale	1,591 1,706			8 3/4	TOC @ surface (100% OH excess - 70% Lead 30% Tail) Stage 1 Total: 927sks	8.3-10	Vertical <1º
surveys. Stop operations and contact drilling engineer if separation		Cliffhouse Ss. Menefee Fn. Point Lookout Ss. Mancos Shale	2,407 3,093 3,978 4,157				Stage 1 Lead: 526 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.	4	
factor approaches 1.5	Mud logger	кор	600	600			Mixed at 12.1 ppg. Yield 2.13 cuft/sk. Stage 1 Tail: 400 sks Type III Cement +		
Surveys every 30' through	onsite	Mancos Silt	4,689				1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield 1.38 cuft/sk.		
the curve	2	Gallup Fn.	4,949						
		7" Csg	5,198	5,643	//				in the
Surveys every	22	Horizontal Target	5,206			6 1/8	100' overlap at liner top	14	Horz Inc/TVD deg/Pilot Hole TD (TVD):ft
stand to TD unless	18.42	TD	5,142	10,232		1-	4590' Drilled Lateral	1 101 101	TD = 10232.4 MD
directed	7 1-			No. of Concession					
otherwise by Geologist	No OH Logs	Base Gallup	5,284				4 1/2" 11.6ppf SB80 LTC	WBM 8.3-10	1.121
2							TOC @ hanger (50% OH excess) Stage 1 Total: 267sks		1
MWD Gamma Directional							Stage 1 Blend: 267 sks Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwow Potassium Chloride + 0.25lbs/ack Cello Flake + 0.5% bwoc CD-32 + 1.15% bwoc FL- 52A + 60 lbs/sack Calcium Carbonate + 124.4% Fresh Water. Yield 2.63 cult/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

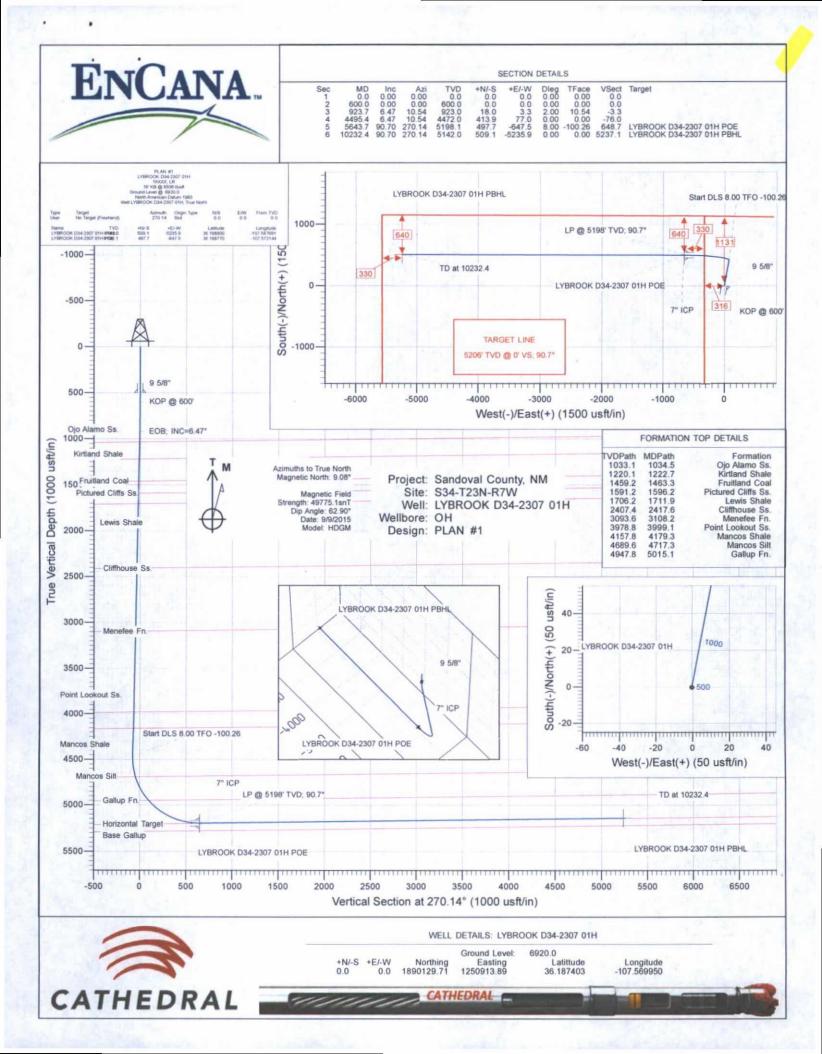
3) N/U BOP and surface equipment

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 5643' MD 7) R&C 7" csg, circ cmt to surface

8) Land at ~55 deg, drill lateral to 10232' run 4 1/2 inch cemented liner



Database: Company: Project: Site: Well: Wellbore: Design:	EnCana Oil Sandoval C S34-T23N-I		Inc		TVD Referen MD Reference North Refere	:e:	16 16 Tru	ell LYBROOK D3 7 KB @ 6936.0us 7 KB @ 6936.0us 9 KB @ 6936.0us 9 9 nimum Curvature	sft sft	
Project	Sando	val County, NN	1		S. 160 100					19 9 9
Map System: Geo Datum: Map Zone:	North An	e Plane 1983 nerican Datum xico Central Zo	10.000		System Dat	tum:	Me	an Sea Level	9-94 -	
Site	S34-T2	23N-R7W							100	
Site Position: From: Position Uncer		/Long 0.0 u	Northi Eastin Isft Slot R	g:	1,251		Latitude: Longitude: Grid Converg	ence:		36.179925 -107.568333 -0.78 °
Well	LYBRO	OK D34-2307	01H		-114 C	100131214				
Well Position	+N/-S +E/-W	0	0.0 usft Ea	rthing: sting:		1,890,129.71 1,250,913.89	usft Lon	tude: gitude:		36.18740 -107.569950
Position Uncer		(	0.0 usft We	ellhead Elevati	on:	0.0	usft Gro	und Level:		6,920.0 usft
Wellbore	ОН				A. M.					
Magnetics	Mo	odel Name	Sample	Date	Declina (°)	tion	Dip A (°			Strength nT)
		HDGM	_	9/9/2015		9.08		62.90		49,775
Design	PLAN #	<b>#</b> 1		Sec. 1	1226					
Audit Notes: Version:			Phase	н: Р	LAN	Tie	On Depth:	(	0.0	
	n:	1	Depth From (TV (usft)	D)	+N/-S (usft)	(us	/-W sft)	(	ction (°)	
Vertical Section									0.14	
Vertical Sectio			0.0		0.0	0	.0	270		
			0.0		0.0	0	.0	270		
	Inclination (°)	Azimuth (°)	0.0 Vertical Depth (usft)	+N/-S (usft)	0.0 +E/-W (usft)	Dogleg Rate (°/100usft)	.0 Build Rate (°/100usft)	Turn Rate	TFO (°)	Target
Plan Sections Measured Depth (usft) 0.0	(°) 0.00	(°) 0.00	Vertical Depth (usft) 0.0	(usft) 0.0	+E/-W (usft) 0.0	Dogleg Rate (°/100usft) 0.00	Build Rate (°/100usft) 0.00	Turn Rate (°/100usft) 0.00	TFO (*) 0.00	
Plan Sections Measured Depth (usft) 0.0 600.0	(°) 0.00 0.00	(°) 0.00 0.00	Vertical Depth (usft) 0.0 600.0	(usft) 0.0 0.0	+E/-W (usft) 0.0 0.0	Dogleg Rate (°/100usft) 0.00 0.00	Build Rate (°/100usft) 0.00 0.00	Turn Rate (°/100usft) 0.00 0.00	<b>TFO</b> (*) 0.00 0.00	
Plan Sections Measured Depth (usft) 0.0 600.0 923.7	(°) 0.00 0.00 6.47	(°) 0.00 0.00 10.54	Vertical Depth (usft) 0.0 600.0 923.0	(usft) 0.0 0.0 18.0	+E/-W (usft) 0.0 0.0 3.3	Dogleg Rate (*/100usft) 0.00 0.00 2.00	Build Rate (°/100usft) 0.00 0.00 2.00	Turn Rate (°/100usft) 0.00 0.00 0.00	<b>TFO</b> (*) 0.00 0.00 10.54	
Plan Sections Measured Depth (usft) 0.0 600.0	(°) 0.00 0.00 6.47 6.47	(°) 0.00 0.00	Vertical Depth (usft) 0.0 600.0	(usft) 0.0 0.0	+E/-W (usft) 0.0 0.0	Dogleg Rate (°/100usft) 0.00 0.00	Build Rate (°/100usft) 0.00 0.00	Turn Rate (°/100usft) 0.00 0.00	<b>TFO</b> (") 0.00 0.00 10.54 0.00	

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well LYBROOK D34-2307 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	16' KB @ 6936.0usft
Project:	Sandoval County, NM	MD Reference:	16' KB @ 6936.0usft
Site:	S34-T23N-R7W	North Reference:	True
Well:	LYBROOK D34-2307 01H	Survey Calculation Method:	Minimum Curvature
Nellbore:	OH		
Design:	PLAN #1		

#### 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	10.54	700.0	1.7	0.3	-0.3	2.00	2.00		
800.0	4.00	10.54	799.8	6.9	1.3	-1.3	2.00	2.00		
900.0	6.00	10.54	899.5	15.4	2.9	-2.8	2.00	2.00		
923.7	6.47	10.54	923.0	18.0	3.3	-3.3	2.00	2.00	EOB; INC=6.47°	
1,000.0	6.47	10.54	998.8	26.4	4.9	-4.9	0.00	0.00		
1,034.5	6.47	10.54	1,033.1	30.2	5.6	-5.6	0.00	0.00	Ojo Alamo Ss.	
1,100.0	6.47	10.54	1,098.2	37.5	7.0	-6.9	0.00	0.00		
1,200.0	6.47	10.54	1,197.5	48.6	9.0	-8.9	0.00	0.00		
1,222.7	6.47	10.54	1,220.1	51.1	9.5	-9.4	0.00	0.00	Kirtland Shale	
1,300.0	6.47	10.54	1,296.9	59.7	11.1	-11.0	0.00	0.00		
1,400.0	6.47	10.54	1,396.3	70.8	13.2	-13.0	0.00	0.00		
1,463.3	6.47	10.54	1,459.2	77.8	14.5	-14.3	0.00		Fruitland Coal	
1,500.0	6.47	10.54	1,495.6	81.8	15.2	-15.0	0.00	0.00		
1,596.2	6.47	10.54	1,591.2	92.5	17.2	-17.0	0.00	0.00	Pictured Cliffs Ss.	
1,600.0	6.47	10.54	1,595.0	92.9	17.3	-17.1	0.00	0.00		
1,700.0	6.47	10.54	1,694.4	104.0	19.4	-19.1	0.00	0.00		
1,711.9	6.47	10.54	1,706.2	105.3	19.6	-19.3	0.00		Lewis Shale	
1,800.0	6.47	10.54	1,793.7	115.1	21.4	-21.1	0.00	0.00		
1,900.0	6.47	10.54	1,893.1	126.2	23.5	-23.2	0.00	0.00		
2,000.0	6.47	10.54	1,992.4	137.3	25.5	-25.2	0.00	0.00		
2,100.0	6.47	10.54	2,091.8	148.3	27.6	-27.2	0.00	0.00		
2,200.0	6.47	10.54	2,191.2	159.4	29.7	-29.3	0.00	0.00		
2,300.0	6.47	10.54	2,290.5	170.5	31.7	-31.3	0.00	0.00		
2,400.0	6.47	10.54	2,389.9	181.6	33.8	-33.4	0.00	0.00		
2,417.6	6.47	10.54	2,407.4	183.5	34.2	-33.7	0.00	0.00	Cliffhouse Ss.	
2,500.0	6.47	10.54	2,489.3	192.7	35.9	-35.4	0.00	0.00	omnouse os.	
2,600.0	6.47	10.54	2,588.6	203.8	37.9	-37.4	0.00	0.00		
2,700.0	6.47	10.54	2,688.0	214.8	40.0	-39.5	0.00	0.00		
2,800.0	6.47	10.54	2,787.3	225.9	42.1	-41.5	0.00	0.00		
2,900.0	6.47	10.54	2,886.7	237.0	44.1	-43.5	0.00	0.00		
3,000.0	6.47	10.54	2,986.1	248.1	46.2	-45.6	0.00	0.00		
3,100.0	6.47	10.54	3,085.4	259.2	48.2	-47.6	0.00	0.00		
3,108.2	6.47	10.54	3,093.6	260.1	48.4	-47.8	0.00		Menefee Fn.	
3,200.0	6.47	10.54	3,184.8	270.3	50.3	-49.6	0.00	0.00		
3,300.0	6.47	10.54	3,284.2	281.4	52.4	-51.7	0.00	0.00		
3,400.0	6.47	10.54	3,383.5	292.4	54.4	-53.7	0.00	0.00		
3,500.0	6.47	10.54	3,482.9	303.5	56.5	-55.8	0.00	0.00		
3,600.0	6.47	10.54	3,582.2	314.6	58.6	-57.8	0.00	0.00		
3,700.0	6.47	10.54	3,681.6	325.7	60.6	-59.8	0.00	0.00		
3,800.0	6.47	10.54	3,781.0	336.8	62.7	-61.9	0.00	0.00		
3,900.0	6.47	10.54	3,880.3	347.9	64.7	-63.9	0.00	0.00		
3,999.1	6.47	10.54	3,978.8	358.8	66.8	-65.9	0.00		Point Lookout Ss.	
4,000.0	6.47	10.54	3,979.7	358.9	66.8	-65.9	0.00	0.00	I SIN LUONUL OB.	
4,100.0	6.47	10.54	4,079.1	370.0	68.9	-68.0	0.00	0.00		
4,100.0	6.47	10.54	4,079.1	378.8	70.5	-69.6	0.00		Mancos Shale	

9/9/2015 3:05:12PM

COMPASS 5000.1 Build 78

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well LYBROOK D34-2307 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	16' KB @ 6936.0usft
Project:	Sandoval County, NM	MD Reference:	16' KB @ 6936.0usft
Site:	S34-T23N-R7W	North Reference:	True
Well:	LYBROOK D34-2307 01H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	PLAN #1		

#### 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	
4,200.0	6.47	10.54	4,178.4	381.1	70.9	-70.0	0.00	0.00		
4,300.0	6.47	10.54	4,277.8	392.2	73.0	-72.0	0.00	0.00		
4,400.0	6.47	10.54	4,377.1	403.3	75.1	-74.1	0.00	0.00		
4,495.4	6.47	10.54	4,472.0	413.9	77.0	-76.0	0.00	0.00	Start DLS 8.00 TFO -100.26	
4,500.0	6.42	7.32	4,476.5	414.4	77.1	-76.1	8.00	-1.20		
4,600.0	9.61	311.48	4,575.7	425.5	71.6	-70.5	8.00	3.19		
4,700.0	16.46	292.42	4,673.1	436.4	52.2	-51.1	8.00	6.85		
4,717.3	17.74	290.65	4,689.6	438.3	47.5	-46.4	8.00	7.41	Mancos Silt	-
4,800.0	24.02	284.73	4,766.8	447.0	19.3	-18.3	8.00	7.59		
4,900.0	31.79	280.60	4,855.2	457.0	-26.3	27.4	8.00	7.77		
5,000.0	39.64	277.96	4,936.3	466.3	-83.9	85.0	8.00	7.85		
5,015.1	40.83	277.64	4,947.8	467.6	-93.6	94.7	8.00	7.88	Gallup Fn.	
5,100.0	47.54	276.08	5,008.7	474.7	-152.3	153.4	8.00	7.90		
5,200.0	55.45	274.63	5,070.9	481.9	-230.1	231.3	8.00	7.92		
5,300.0	63.39	273.43	5,121.7	487.9	-315.9	317.1	8.00	7.93		
5,400.0	71.33	272.38	5,160.2	492.5	-408.0	409.2	8.00	7.94		
5,500.0	79.28	271.43	5,185.5	495.8	-504.6	505.8	8.00	7.95		
5,600.0	87.23	270.53	5,197.3	497.4	-603.8	605.0	8.00	7.95		
						647.7	8.00		7" ICP	
5,642.7	90.62	270.15	5,198.1	497.7	-646.5 -647.5		8.00		LP @ 5198' TVD; 90.7*	
5,643.7	90.70	270.14	5,198.1	497.7		648.7 705.0		0.00	LP @ 5196 TVD, 90.7	
5,700.0	90.70	270.14	5,197.4	497.8	-703.8		0.00	0.00		
5,800.0	90.70	270.14	5,196.1	498.1	-803.8	805.0	0.00	0.00		
5,900.0	90.70	270.14	5,194.9	498.3	-903.8	905.0	0.00			
6,000.0	90.70	270.14	5,193.7	498.6	-1,003.8	1,005.0	0.00	0.00		10.0
6,100.0	90.70	270.14	5,192.5	498.8	-1,103.8	1,105.0	0.00	0.00		
6,200.0	90.70	270.14	5,191.3	499.1	-1,203.8	1,205.0	0.00	0.00		
6,300.0	90.70	270.14	5,190.0	499.3	-1,303.8	1,305.0	0.00	0.00		1.000
6,400.0	90.70	270.14	5,188.8	499.6	-1,403.8	1,405.0	0.00	0.00		1.00
6,500.0	90.70	270.14	5,187.6	499.8	-1,503.7	1,505.0	0.00	0.00		
6,600.0	90.70	270.14	5,186.4	500.1	-1,603.7	1,605.0	0.00	0.00		
6,700.0	90.70	270.14	5,185.2	500.3	-1,703.7	1,705.0	0.00	0.00		1
6,800.0	90.70	270.14	5,183.9	500.6	-1,803.7	1,804.9	0.00	0.00		
6,900.0	90.70	270.14	5,182.7	500.8	-1,903.7	1,904.9	0.00	0.00		
7,000.0	90.70	270.14	5,181.5	501.1	-2,003.7	2,004.9	0.00	0.00		
7,100.0	90.70	270.14	5,180.3	501.3	-2,103.7	2,104.9	0.00	0.00		
7,200.0	90.70	270.14	5,179.0	501.6	-2,203.7	2,204.9	0.00	0.00		1.1
7,300.0	90.70	270.14	5,177.8	501.8	-2,303.7	2,304.9	0.00	0.00		
7,400.0	90.70	270.14	5,176.6	502.1	-2,403.7	2,404.9	0.00	0.00		
7,500.0	90.70	270.14	5,175.4	502.3	-2,503.7	2,504.9	0.00	0.00		
7,600.0	90.70	270.14	5,174.2	502.6	-2,603.7	2,604.9	0.00	0.00		
7,700.0	90.70	270.14	5,172.9	502.8	-2,703.7	2,704.9	0.00	0.00		
7,800.0	90.70	270.14	5,171.7	503.1	-2,803.6	2,804.9	0.00	0.00		
7,900.0	90.70	270.14	5,170.5	503.3	-2,903.6	2,904.9	0.00	0.00		
	90.70	270.14	5,169.3	503.5	-3,003.6	3,004.9	0.00	0.00		
8,000.0 8,100.0	90.70	270.14	5,169.3	503.5	-3,103.6	3,104.8	0.00	0.00		
8,100.0	90.70	270.14	5,168.0	503.8	-3,103.6	3,104.8	0.00	0.00		
						3,204.8	0.00	0.00		
8,300.0 8,400.0	90.70 90.70	270.14 270.14	5,165.6 5,164.4	504.3 504.5	-3,303.6 -3,403.6	3,304.8	0.00	0.00		
8,500.0	90.70	270.14	5,163.2	504.8	-3,503.6	3,504.8	0.00	0.00		
8,600.0	90.70	270.14	5,161.9	505.0	-3,603.6	3,604.8	0.00	0.00		
8,700.0	90.70	270.14	5,160.7	505.3	-3,703.6	3,704.8	0.00	0.00		
8,800.0	90.70	270.14	5,159.5	505.5	-3,803.6	3,804.8	0.00	0.00		1

COMPASS 5000.1 Build 78

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well LYBROOK D34-2307 01H	
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	16' KB @ 6936.0usft	
Project:	Sandoval County, NM	MD Reference:	16' KB @ 6936.0usft	
Site:	S34-T23N-R7W	North Reference:	True	
Well:	LYBROOK D34-2307 01H	Survey Calculation Method:	Minimum Curvature	
Wellbore:	OH			
Design:	PLAN #1			

#### Planned Survey

Neasured 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	90.70	270.14	5,158.3	505.8	-3,903.6	3,904.8	0.00	0.00	
9,000.0	90.70	270.14	5,157.0	506.0	-4,003.6	4,004.8	0.00	0.00	
9,100.0	90.70	270.14	5,155.8	506.3	-4,103.5	4,104.8	0.00	0.00	
9,200.0	90.70	270.14	5,154.6	506.5	-4,203.5	4,204.8	0.00	0.00	
9,300.0	90.70	270.14	5,153.4	506.8	-4,303.5	4,304.8	0.00	0.00	
9,400.0	90.70	270.14	5,152.2	507.0	-4,403.5	4,404.7	0.00	0.00	
9,500.0	90.70	270.14	5,150.9	507.3	-4,503.5	4,504.7	0.00	0.00	
9,600.0	90.70	270.14	5,149.7	507.5	-4,603.5	4,604.7	0.00	0.00	
9,700.0	90.70	270.14	5,148.5	507.8	-4,703.5	4,704.7	0.00	0.00	
9,800.0	90.70	270.14	5,147.3	508.0	-4,803.5	4,804.7	0.00	0.00	
9,900.0	90.70	270.14	5,146.1	508.3	-4,903.5	4,904.7	0.00	0.00	
10,000.0	90.70	270.14	5,144.8	508.5	-5,003.5	5,004.7	0.00	0.00	
10,100.0	90.70	270.14	5,143.6	508.8	-5,103.5	5,104.7	0.00	0.00	
10,200.0	90.70	270.14	5,142.4	509.0	-5,203,5	5,204.7	0.00	0.00	
10,232.4	90.70	270.14	5,142.0	509.1	-5,235.9	5,237.1	0.00	0.00	TD at 10232.4

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
LYBROOK D34-2307 01 - plan hits target cente - Point	0.00 er	0.00	5,198.1	497.7	-647.5	1,890,636.17	1,250,273.21	36.188770	-107.572144
LYBROOK D34-2307 01 - plan hits target cente - Point	0.00 er	0.00	5,142.0	509.1	-5,235.9	1,890,709.98	1,245,685.44	36.188800	-107.587691

**Casing Point** 

Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (")	Hole Diameter (")	
500.0	500.0	9 5/8"		0	0	
5,642.7	5,198.1	7" ICP		0	0	

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well LYBROOK D34-2307 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	16' KB @ 6936.0usft
Project:	Sandoval County, NM	MD Reference:	16' KB @ 6936.0usft
Site:	S34-T23N-R7W	North Reference:	True
Well:	LYBROOK D34-2307 01H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	PLAN #1		

## Formations

Measured	Vertical				Dip
Depth (usft)	Depth (usft)	Name	Lithology	Dip (°)	Direction (°)
1,034.5	1,033.0	Ojo Alamo Ss.		-0.70	270.14
1,222.7	1,220.0	Kirtland Shale		-0.70	270.14
1,463.3	1,459.0	Fruitland Coal		-0.70	270.14
1,596.2	1,591.0	Pictured Cliffs Ss.		-0.70	270.14
1,711.9	1,706.0	Lewis Shale		-0.70	270.14
2,417.6	2,407.0	Cliffhouse Ss.		-0.70	270.14
3,108.2	3,093.0	Menefee Fn.		-0.70	270.14
3,999.1	3,978.0	Point Lookout Ss.		-0.70	270.14
4,179.3	4,157.0	Mancos Shale		-0.70	270.14
4,717.3	4,689.0	Mancos Silt		-0.70	270.14
5,015.1	4,949.0	Gallup Fn.		-0.70	270.14

Me	easured	Vertical	Local Coon	dinates	
	Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
12 m 2 m 2 m	600.0	600.0	0.0	0.0	KOP @ 600'
	923.7	923.0	18.0	3.3	EOB; INC=6.47°
	4,495.4	4,472.0	413.9	77.0	Start DLS 8.00 TFO -100.26
	5,643.7	5,198.1	497.7	-647.5	LP @ 5198' TVD; 90.7°
	10,232.4	5,142.0	509.1	-5,235.9	TD at 10232.4

Lybrook D34-2307 01H

SHL: NWNW Section 34, T23N, R7W 1,131' FNL and 316' FWL BHL: NWNW Section 33, T23N, R7W 640' FNL and 330' FWL Sandoval County, New Mexico Lease Number: NMNM 016586

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 six (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 4.5 feet in the northeast corner (corner 6) and the maximum fill will be approximately 6.4 feet southwest corner (corner 3).

- As determined during the onsite on June 16, 2015, the following best management practices will be implemented:
  - a. One silt trap will be installed on the northern side in the E.O.D. between the two corners.
  - b. One silt trap will be installed in the northwest corner (corner 5).
  - c. One silt trap will be installed on the west side in the E.O.D between the two corners.
- 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 3 to 4 weeks.
- C. Pipeline

See the Plan of Development submitted with the final modifications to the Standard Form 299 application for authorization to construct, maintain and terminate a 1,489 foot, up to 6-inch outside diameter, buried steel well connect pipeline that was submitted to the BLM concurrently with the APD.

#### 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

### ENCANA OIL & GAS (USA) INC.

LYBROOK D34-2307 #01H 1131' FNL & 316' FWL LOCATED IN THE NW/4 NW/4 OF SECTION 34, T23N, R7W, N.M.P.M., SANDOVAL COUNTY, NEW MEXICO

## DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 39.0 MILES TO INDIAN ROUTE 7061 (M.P. 112.6).
- TURN RIGHT AND GO 5.4 MILES.
- 3) TURN LEFT AND GO 6.3 MILES.

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4) TURN LEFT AND GO 0.3 MILES TO WHERE ROAD GOES THROUGH PAD.

WELL FLAG LOCATED AT LAT. 36.187403° N, LONG.107.569950° W (NAD 83).



Scorpion Survey & Consulting, L,L.C. 302 S. Ash Aztec, New Mexico 87410 (505) 334-4007 Sheet C

# CCI

CHENAULT CONSULTING INC.

4800 COLLEGE BLVD. SUITE 201 PARMINGTON, NM 87402 (505)-325-7707

JOB No.: ENC154 DATE: 03/12/15

