

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-31134
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E 9055
7. Lease Name or Unit Agreement Name Escrito A36-2407
8. Well Number 01H
9. OGRID Number 282327
10. Pool name or Wildcat Escrito Gallup (Associated)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

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

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

4. Well Location

SHL: Unit Letter A: 614 feet from the NORTH line and 251 feet from the EAST line

BHL: Unit Letter D: 614 feet from the NORTH line and 330 feet from the WEST line

Section 36 Township 24N Range 7W NMPM Rio Arriba County

RCVD AUG 7 '12
OIL CONS. DIV.
DIST. 3

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6710' KB

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Encana Oil & Gas (USA) Inc. (Encana) would like to revise the mud program for the Escrito A36-2407 01H well. Encana will use a gelled freshwater system in the surface and intermediate sections. We will use oil based mud from 5728' MD/5420' TVD (intermediate casing point) to the TD of the horizontal lateral. Please see attached revised wellbore diagram.

CONFIDENTIAL

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Amanda Cavoto

TITLE Engineering Technologist

DATE 08/06/12

Type or print name Amanda Cavoto E-mail address: amanda.cavoto@encana.com

PHONE: 720-876-3437

For State Use Only

APPROVED BY:

Brad Bell

TITLE

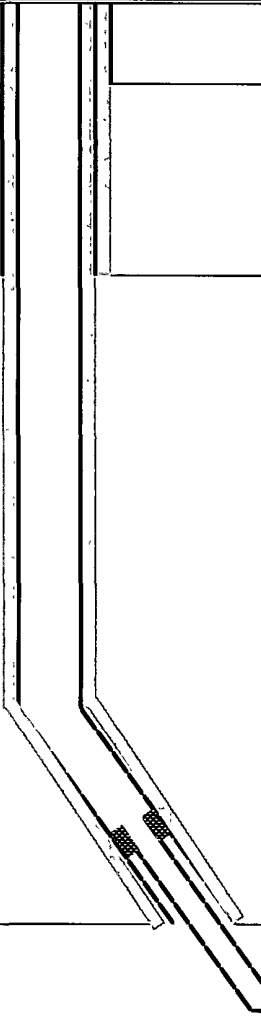
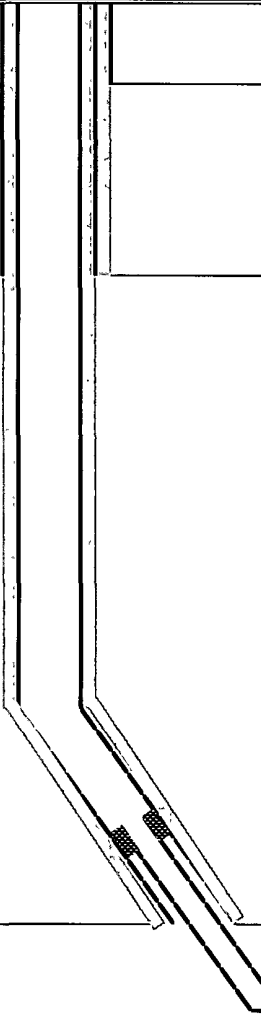
Deputy Oil & Gas Inspector,
District #3

DATE

8/13/12

Conditions of Approval (if any):

A

LOC: Sec 36-T24N-R7W County: Rio Arriba WELL: Escrito A36-2407 01H			Encana Natural Gas New Mexico Mancos/Niobrara Test WELL SUMMARY			<div>encana™</div> <div>natural gas</div>		ENG: J. Fox/ A. 8/6/12 RIG: GLE: 6697 RKBE: 6710		
MWD LWD	OPEN HOLE LOGGING	FORM	DEPTH			HOLE SIZE	CASING SPECS	MW MUD TYPE	DEVIATION INFORMATION	
			TVD	MD						
			60	60'		30	20" 94# 100sx Type I Neat 48.8ppg cmt	Fresh wtr 8 3-9 2		
Surveys After csg is run	None					12 1/4	9 5/8" 36ppf J55 STC TOC @ surface 178 sks Type III Cmt	Fresh wtr 8 4-8 6	Vertical <1°	
			500	500						
Surveys every 500'	No OH logs Mud logger onsite	Ojo Alamo Kirtland Shale Fruitland Coal Pictured Cliffs Ss Lewis Shale Cliffhouse Ss Menefee Fn Point Lookout Ss Mancos Sh KICK OFF PT Mancos Silt	1,325 1,545 1622 1942 2042 2765 3537 4199 4413 4848 5052			8 1/2	7" 26ppf J55 LTC TOC @ surface 30% OH excess: 606sks Lead 155 sks Prem Lite Cmt Tail 451sks Type III Cmt	Fresh Wtr 8 5-8 8	Vertical <1° KOP 4848 10 deg/100'	
			5420	5728						
Surveys every 500' Gyro at CP MWD Gamma Directional	No OH Logs	Gallup Top horz target Base Gallup	5232 5421 5534	5751			6 1/8	200' overlap at liner top 4000' Lateral	8 6-9 0 OBM	25deg updip 5400'TVD TD = 9759' MD
							4 1/2" 11.6ppf SB80 LTC Running external swellable csg packers for isolation of prod string	OBM 8 6-9 0		

NOTES:

- 1) Drill with 30" bit to 60', set 20" 94# 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 4848' , 8 1/2" hole size
- 5) PU directional tools and start curve at 10deg/100' build rate
- 6) Drill to casing point of 5728' MD (85deg)
- 7) R&C 7" casing, circ cmt 50' into sur csg shoe, switch to OBM
- 8) Land at 90deg, drill 4000' lateral to 9759', run 4 1/2" liner with external swellable csg packers