State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, 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: 2/20/13

Well information;
Operator Encana, Well Name and Number Escrito E26-2407 1H

API# 30-039-31148, Section 26, Township 24 (N)/S, Range 7 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), NSP, DHC
- o Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ✓ A complete C-144 must be submitted to and approved by the NMOCD for: a pit, closed loop system, below grade tank, or proposed alternative method, pursuant to NMOCD PART 19.15.17 prior to the use or construction of the above applications
- o 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

Chad Harm
NMOCD Approved by Signature

6-13-13
Date

JUN 13 2013 ca

Form 3160-3
(August 2007)

RECEIVED

FEB 21 2013

Farmington Field Office
Bureau of Land Management

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF-0078562 & NMNM 0014023

6. If Indian, Allotee or Tribe Name
N/A

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
PENDING

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
Escrito E26-2407 01H (fka D26-2407)

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

9. API Well No.
30-039-31148

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

3b. Phone No. *(include area code)*
720-876-5331

10. Field and Pool, or Exploratory
Escrito-Gallup Associated Pool

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface E 1766' FNL and 431' FWL Section 26, T24N, R7W
At proposed prod. zone E 2150' FNL and 330' FWL Section 27, T24N, R7W

11. Sec., T. R. M. or Blk. and Survey or Area
Section 26, T24N, R7W NMPM

14. Distance in miles and direction from nearest town or post office*
63.3 +/- miles South from intersection of US HWY 64 & US HWY 550, in Bloomfield, NM

12. County or Parish
Rio Arriba

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
BHL is 330' from west lease line	NMSF 0078562 - 2,557.86 NMNM 0014023 - 640.36	320 acres - N2 of Sec 27 T24N R7W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
SHL is 456' west of FEDERAL 2-26-2	5577' TVD/10679' MD	COB-000235
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
6767', 6780'	09/13/2013	25 days

RCVD JUN 10 '13
OIL CONS. DIV.
DIST. 3

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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
Holly Hill	Holly Hill	2/20/13

Title
Regulatory Analyst

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
/s/ Maryann Maestas		6/3/13
Title AFM	Office FFO	

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)

*(Instructions on page 2)

CONFIDENTIAL

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

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

NMOCD

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

RECEIVED

FEB 21 2013

Farmington Field Office
Bureau of Land Management

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 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 Rio Brazos Rd., Aztec, N.M. 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

[1] API Number	[2] Pool Code	[3] Pool Name
30-039-31148	22619	ESCRITO-GALLUP

[4] Property Code	[5] Property Name	[6] Well Number
39953	ESCRITO E26-2407	01H

[7] OGRID No.	[8] Operator Name	[9] Elevation
282327	ENCANA OIL & GAS (USA) INC.	6766.9'

[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
E	26	24N	7W		1766'	NORTH	431'	WEST	RIO ARRIBA

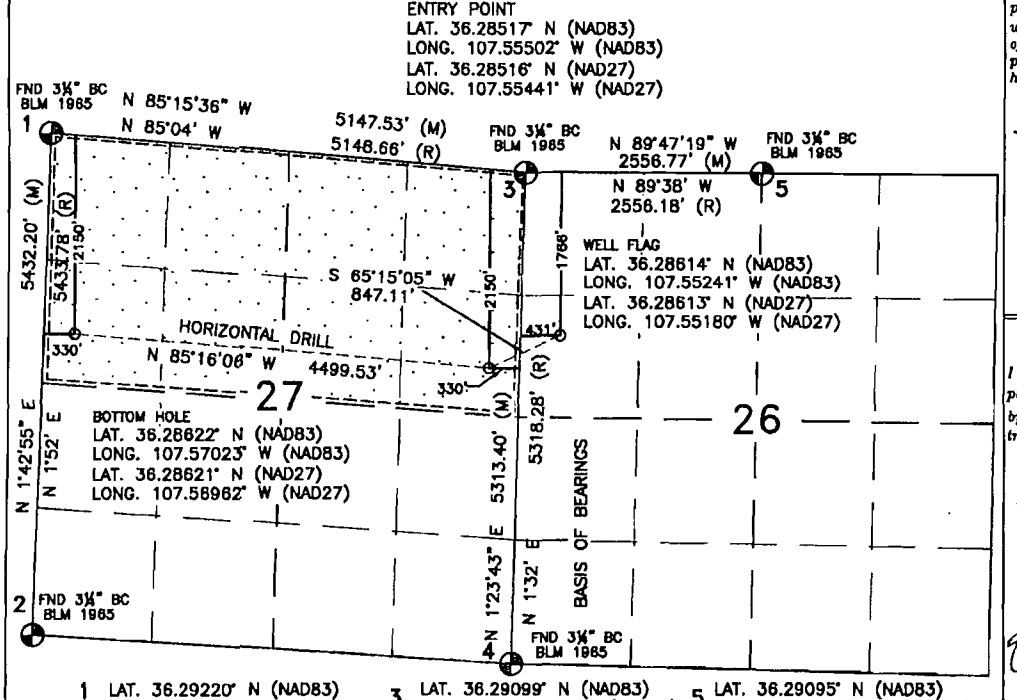
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	27	24N	7W		2150'	NORTH	330'	WEST	RIO ARRIBA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
PROJECT AREA 320.00 ACRES N/2 SEC. 27			

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

[16]



1 LAT. 36.29220° N (NAD83)
LONG. 107.57111° W (NAD83)
LAT. 36.29219° N (NAD27)
LONG. 107.57050° W (NAD27)

2 LAT. 36.27729° N (NAD83)
LONG. 107.57171° W (NAD83)
LAT. 36.27728° N (NAD27)
LONG. 107.57110° W (NAD27)

3 LAT. 36.29099° N (NAD83)
LONG. 107.55371° W (NAD83)
LAT. 36.29098° N (NAD27)
LONG. 107.55310° W (NAD27)

4 LAT. 36.27640° N (NAD83)
LONG. 107.55420° W (NAD83)
LAT. 36.27639° N (NAD27)
LONG. 107.55360° W (NAD27)

5 LAT. 36.29095° N (NAD83)
LONG. 107.54503° W (NAD83)
LAT. 36.29094° N (NAD27)
LONG. 107.54442° W (NAD27)

[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 or 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.

Signature — Date: 2/20/13

Holly Hill
Printed Name

holly.hill@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.

OCTOBER 31, 2012
Date of Survey

Signature and Seal of Professional Surveyor:

DAVID R. RUSSELL
NEW MEXICO
10201
REGISTERED PROFESSIONAL LAND SURVEYOR

DAVID RUSSELL
Certificate Number 10201

ENCANA OIL & GAS (USA) INC.

ESCRITO E26-2407 #01H
1766' FNL & 431' FWL
LOCATED IN THE SW/4 NW/4 OF SECTION 26,
T24N, R7W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO

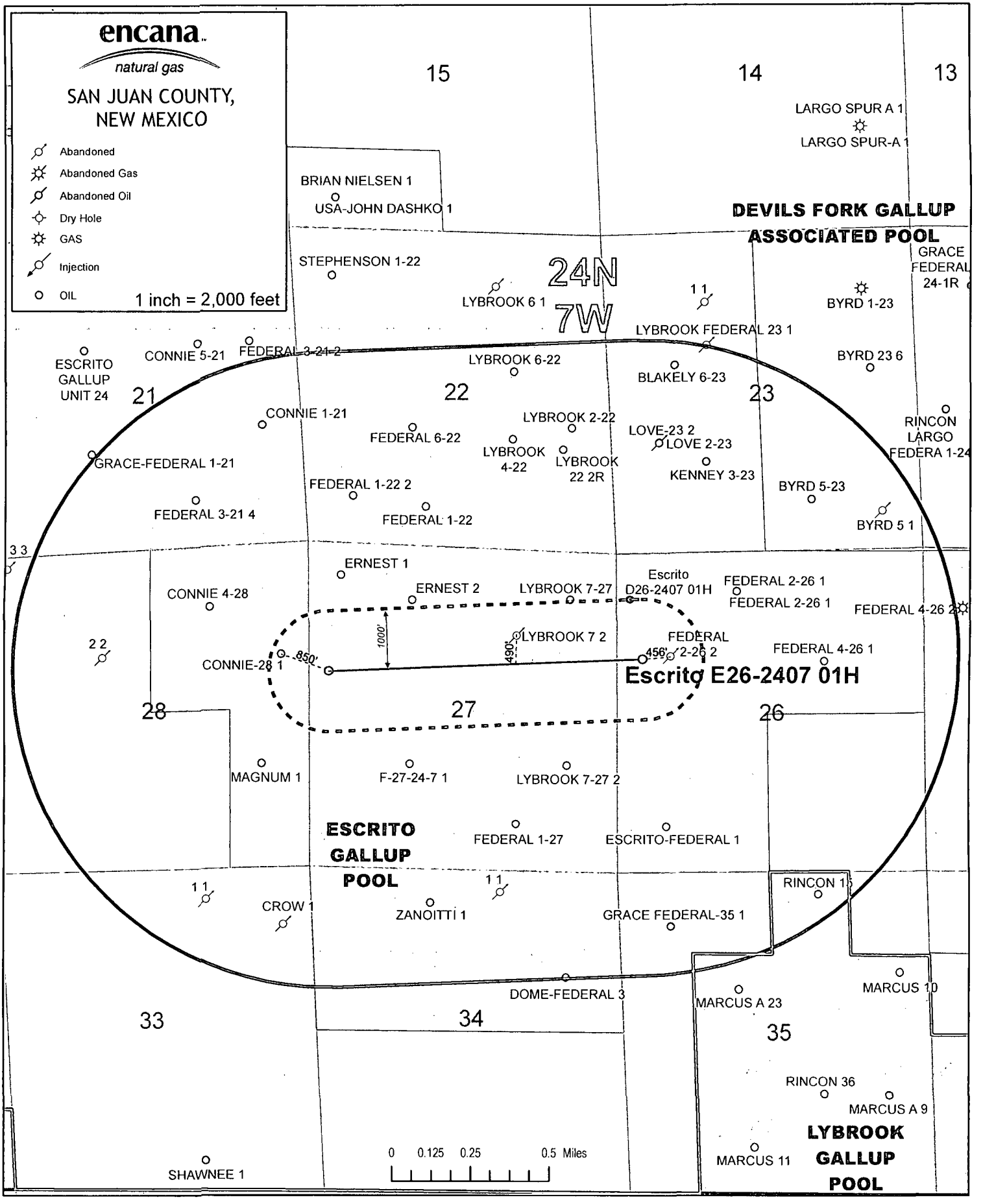
DIRECTIONS

1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 49.0 MILES TO THE LYBROOK PLANT (MP 103).
2) TURN LEFT ONTO CR 378 AND GO 9.2 MILES.
3) TURN LEFT AND GO 4.0 MILES TO THE BEELINE COMPRESSOR STATION.
4) TURN LEFT AND GO 0.3 MILES.
5) TURN RIGHT AND GO 0.8 MILES WHERE THE ACCESS IS STAKED ON RIGHT.

WELL FLAG LOCATED AT LAT. 36.28614° N, LONG.107.55241° W (NAD 83).

JOB No.: ENC002_REV3
DATE: 11/07/12

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


encana
natural gas
SAN JUAN COUNTY,
NEW MEXICO
Abandoned
Abandoned Gas
Abandoned Oil
Dry Hole
GAS
Injection
OIL
1 inch = 2,000 feet
15
14
13
LARGO SPUR A 1
LARGO SPUR-A 1
BRIAN NIELSEN 1
USA-JOHN DASHKO 1
DEVILS FORK GALLUP
ASSOCIATED POOL
GRACE
FEDERAL
24-1R
STEPHENSON 1-22
24N
7W
LYBROOK 6 1
1 1
BYRD 1-23
LYBROOK FEDERAL 23 1
ESCRITO
GALLUP
UNIT 24
CONNIE 5-21
FEDERAL 3-21-2
LYBROOK 6-22
BLAKELY 6-23
BYRD 23 6
21
22
23
CONNIE 1-21
LYBROOK 2-22
RINCON
LARGO
FEDERA 1-24
FEDERAL 6-22
LOVE-23 2
LOVE 2-23
GRACE-FEDERAL 1-21
LYBROOK
4-22
LYBROOK
22 2R
KENNEY 3-23
FEDERAL 1-22 2
BYRD 5-23
FEDERAL 3-21 4
FEDERAL 1-22
BYRD 5 1
3 3
ERNEST 1
Escrito
D26-2407 01H
CONNIE 4-28
ERNEST 2
LYBROOK 7-27
FEDERAL 2-26 1
FEDERAL 2-26 1
FEDERAL 4-26 2
1000'
2 2
LYBROOK 7 2
FEDERAL
2-26 2
FEDERAL 4-26 1
CONNIE-28 1
850'
490'
456'
Escrito E26-2407 01H
28
27
26
MAGNUM 1
F-27-24-7 1
LYBROOK 7-27 2
ESCRITO
GALLUP
POOL
FEDERAL 1-27
ESCRITO-FEDERAL 1
1 1
1 1
RINCON 15
CROW 1
ZANOITTI 1
GRACE FEDERAL-35 1
DOME-FEDERAL 3
MARCUS 10
MARCUS A 23
33
34
35
RINCON 36
MARCUS A 9
LYBROOK
GALLUP
POOL
MARCUS 11
SHAWNEE 1
0 0.125 0.25 0.5 Miles

SHEET D

Escrito E26-2407 01H
SHL: SWNW Section 26, T24N, R7W
1766 FNL and 431 FWL
BHL: SWNW Section 27, T24N, R7W
2150 FNL and 330 FWL
Rio Arriba County, New Mexico
Lease Number: NMSF 0078562 & NMNM 0014023

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)
Ojo Alamo Ss.	1398'
Kirtland	1572'
Fruitland Coal	1748'
Pictured Cliffs	2012'
Lewis	2110'
Cliffhouse	2882'
Menefee	3610'
Point Lookout	4290'
Mancos Shale	4457'
Mancos Silt	5148'
Gallup	5330'

The referenced surface elevation is 6767', KB 6780'

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

Substance	Formation	Depth (TVD)
Gas	Fruitland Coal	1748'
Gas	Pictured Cliffs	2012'
Gas	Cliffhouse	2882'
Gas	Point Lookout	4290'
Oil/Gas	Mancos	4457'

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

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	Hole Size	Csg Size	Weight	Grade
Conductor	0-60'	30"	20"	94#	H40, STC New
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-6074'MD	8 1/2"	7"	26#	J55, LTC New
Production Liner	5874'-10679'MD	6 1/8"	4 1/2"	11.6#	B80*, LTC New

Casing String				Casing Strength Properties			Minimum Design Factors		
Size	Weight (lb/ft)	Grade	Connection	Collapse (psi)	Burst (psi)	Tensile (1000lb)	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 1/2"	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.

b) The proposed cementing program is as follows:

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a pre-flush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

Escrito E26-2407 01H
SHL: SWNW Section 26, T24N, R7W
1766 FNL and 431 FWL
BHL: SWNW Section 27, T24N, R7W
2150 FNL and 330 FWL
Rio Arriba County, New Mexico
Lease Number: NMSF 0078562 & NMNM 0014023

Casing	Depth	Cement Volume (sacks)	Cement Type&Yield	Designed TOC	Centralizers
Conductor	60'	100sk	Type I Neat 14.8 ppg	Surface	None
Surface	500'	178sk	Type III Cement + 1% CaCl + 0.25lb/sk Cello Flake + 0.2% FL, 14.6ppg, 1.38cuf/sk	Surface	1 per joint on bottom 3 joints
Intermediate	6074'MD	30% open hole excess Stage 1 Lead: 217sks Stage 1 Tail: 150sks Stage 2 Lead: 160sks	**Lead** (Stages 1 and 2): PremLite + 3% CaCl + 0.25lb/sk CelloFlake + 5lb/sk LCM, 12.1ppg 2.13cuft/sk **Tail** (Stage 1): Type III Cmt + 1% CaCl + 0.25lb/sk Cello Flake 14.5ppg 1.38cuft/sk	Surface	1 per joint for bottom 3 joints, 1 every 3 joints for remaining joints
Production Liner*	5874'-10679'	None – External casing packers	N/A	N/A	N/A

*Production liner clarification: Utilizing external swell casing packer system for zonal isolation will not use cement in the production liner.

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 a 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 4984'. Directional plans are attached.

Description	Proposed Depth (TVD/MD)	Formation
Horizontal Lateral TD	5577'/10679'	Gallup

Escrito E26-2407 01H
SHL: SWNW Section 26, T24N, R7W
1766 FNL and 431 FWL
BHL: SWNW Section 27, T24N, R7W
2150 FNL and 330 FWL
Rio Arriba County, New Mexico
Lease Number: NMSF 0078562 & NMNM 0014023

6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

Hole Size (in)	Depth (ft)	Mud Type	Density (lb/gal)	Viscosity (sec/qt)	Fluid Loss (cc)
30"	0-60' TVD	Fresh Water	8.3-9.2	38-100	4-28
12 1/4"	0-500' TVD	Fresh Water	8.4-8.6	60-70	NC
8 1/2"	500'TVD-5585'TVD/6179'MD	Fresh Water LSND	8.5-8.8	40-50	8-10

b) Intermediate Casing Point to TD:

Hole Size (in)	MD (ft)	Mud Type	Density (lb/gal)	Viscosity (sec/qt)	Fluid Loss (cc)
6 1/8"	6179'-10679'	Synthetic Oil Based Mud	8.6-9.0	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, including fresh water and oil-based operations. 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 wit the Surface Use Plan of Operations.

7. TESTING, CORING and LOGGING

a) Drill Stem Testing – None anticipated
b) Coring – None anticipated.
c) Mud 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 +/- 2614 psi based on a 9.0 ppg at 5585' TVD of the landing point of the horizontal lateral. 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.

Escrito E26-2407 01H
SHL: SWNW Section 26, T24N, R7W
1766 FNL and 431 FWL
BHL: SWNW Section 27, T24N, R7W
2150 FNL and 330 FWL
Rio Arriba County, New Mexico
Lease Number: NMSF 0078562 & NMNM 0014023

9. ANTICIPATED START DATE AND DURATION OF OPERATIONS

Drilling is estimated to commence on September 13, 2013. 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 25 days.

LOC: Sec 26-T24N-R7W
County: Rio Arriba
WELL: Escrito E26-2407 01H

Encana Natural Gas

WELL SUMMARY

encana natural gas

ENG: J. Fox/ A. 2/14/13
RIG:
GLE: 6937
RKBE: 6950

MWD LWD	OPEN HOLE LOGGING	FORM	DEPTH TVD	DEPTH MD	HOLE SIZE	CASING SPECS	MW MUD TYPE	DEVIATION INFORMATION
			60	60'	30	**20" 94#** 100sx Type I Neat 48.8ppg cmt	Fresh wtr 8.3-9.2	
Surveys After csg is run	None		**500**	**500**	12 1/4	**9 5/8" 36ppf J55 STC** TOC @ surface 178 sks Type III Cmt	Fresh wtr 8.4-8.6	Vertical <1°
Surveys every 500'	No OH logs Mud logger onsite	Ojo Alamo Kirtland Fruitland Coal Pictured Cliffs Ss Lewis Shale Cliffhouse Ss Menefee Fn Point Lookout Ss Mancos Sh **KICK OFF PT** Mancos Silt Gallup Top	1398 1572 1748 2012 2110 2882 3610 4290 4457 4984 5148 5330 **5582**	**6074**	8 1/2	**7" 26ppf J55 LTC** Stage tool @ 2062' TOC @ surface 30% OH excess: 527 sksTotal. Stage 1 Lead: 217sks Stage 1 Tail: 150sks Stage 2 Lead: 160sks	Fresh Wtr 8.5-8.8	Vertical <1° KOP 4984 10 deg/100'
Surveys every 500' Gyro at CP MWD Gamma Directional	No OH Logs	horz target Base Gallup	**5585** 5640	**6179**	6 1/8	200' overlap at liner top 4500' Lateral **4 1/2" 11.6ppf SB80 LTC** Running external swellable csg packers for isolation of prod string Plan on setting top packer within 100' of intermediate casing shoe	8.6-9.0 OBM Switch to OBM 8.6-9.0	.25deg updip 5577'TVD TD = 10679' MD

NOTES:

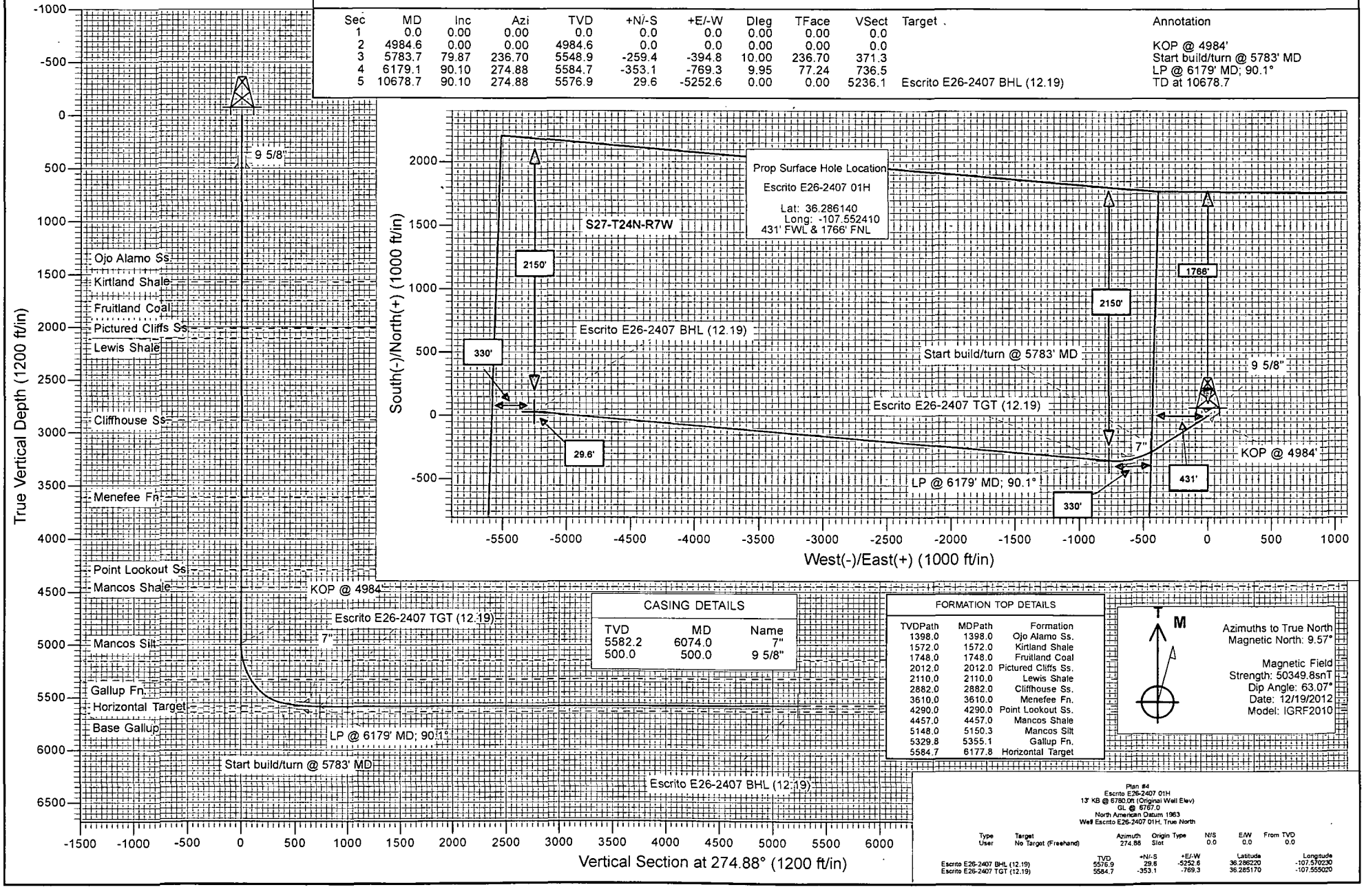
1) Drill with 30" bit to 60', set 20" 94# conductor pipe
2) Drill surface to 500', R&C 9 5/8" casing
3) N/U BOP and surface equipment
4) Drill to KOP of 4984' , 8 1/2" hole size,
5) PU directional tools and start curve at 10deg/100' build rate
6) Drill to casing point of 6074' MD
7) R&C 7" casing, circ cmt to surface, switch to OBM
8) Land at 90deg, drill 4500' lateral to 10679', run 4 1/2" liner with external swellable csg packers

encana™ natural gas

Project: Rio Arriba County, NM
Site: S26-T24N-R7W
Well: Escrito E26-2407 01H
Wellbore: HZ
Design: Plan #4

CATHEDRAL

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target	Annotation
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0		
2	4984.6	0.00	0.00	4984.6	0.0	0.0	0.00	0.00	0.0		KOP @ 4984'
3	5783.7	79.87	236.70	5548.9	-259.4	-394.8	10.00	236.70	371.3		Start build/turn @ 5783' MD
4	6179.1	90.10	274.88	5584.7	-353.1	-769.3	9.95	77.24	736.5		LP @ 6179' MD; 90.1°
5	10678.7	90.10	274.88	5576.9	29.6	-5252.6	0.00	0.00	5236.1	Escrito E26-2407 BHL (12.19)	TD at 10678.7



CASING DETAILS		
TVD	MD	Name
5582.2	6074.0	7"
500.0	500.0	9 5/8"

FORMATION TOP DETAILS		
TVDPath	MDPath	Formation
1398.0	1398.0	Ojo Alamo Ss.
1572.0	1572.0	Kirtland Shale
1748.0	1748.0	Fruitland Coal
2012.0	2012.0	Pictured Cliffs Ss.
2110.0	2110.0	Lewis Shale
2882.0	2882.0	Cliffhouse Ss.
3610.0	3610.0	Menefee Fn.
4290.0	4290.0	Point Lookout Ss.
4457.0	4457.0	Mancos Shale
5148.0	5150.3	Mancos Silt
5329.8	5355.1	Gallup Fn.
5584.7	6177.8	Horizontal Target

Azimuths to True North
Magnetic North: 9.57°

Magnetic Field
Strength: 50349.8snT
Dip Angle: 63.07°
Date: 12/19/2012
Model: IGRF2010

Plan #4
Escrito E26-2407 01H
13' KB @ 6780.0ft (Original Well Elev)
GL @ 6767.0
North American Datum 1983
Well Escrito E26-2407 01H, True North

Type	Target	Azimuth	Origin Type	N/S	E/W	From TVD
User	No Target (Freehand)	274.88	Slot	0.0	0.0	0.0

	TVD	+N/-S	+E/-W	Latitude	Longitude
Escrito E26-2407 BHL (12.19)	5576.9	29.6	-5252.6	36.286220	-107.570230
Escrito E26-2407 TGT (12.19)	5584.7	-353.1	-769.3	36.285170	-107.555020

Planning Report

Database:	USA EDM 5000 Multi Users DB	**Local Co-ordinate Reference:**	Well Escrito E26-2407 01H
Company:	EnCana Oil & Gas (USA) Inc	**TVD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Project:	Rio Arriba County, NM	**MD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Site:	S26-T24N-R7W	**North Reference:**	True
Well:	Escrito E26-2407 01H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	HZ		
Design:	Plan #4		

Project	Rio Arriba County, NM		
Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Central Zone		

Site	S26-T24N-R7W				
Site Position:		**Northing:**	1,926,736.38 ft	**Latitude:**	36.288140
From:	Lat/Long	**Easting:**	1,256,585.41 ft	**Longitude:**	-107.552410
Position Uncertainty:	0.0 ft	**Slot Radius:**	13.200 in	**Grid Convergence:**	-0.77 °

Well	Escrito E26-2407 01H				
Well Position	**+N/-S** 0.0 ft	**Northing:**	1,926,008.28 ft	**Latitude:**	36.286140
	+E/-W 0.0 ft	**Easting:**	1,256,575.61 ft	**Longitude:**	-107.552410
Position Uncertainty	0.0 ft	**Wellhead Elevation:**	ft	**Ground Level:**	6,767.0 ft

Wellbore	HZ				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2010	12/19/2012	9.57	63.07	50,350

Design	Plan #4				
Audit Notes:					
Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**	
	0.0	0.0	0.0	274.88	

Plan 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	
4,984.6	0.00	0.00	4,984.6	0.0	0.0	0.00	0.00	0.00	0.00	
5,783.7	79.87	236.70	5,548.9	-259.4	-394.8	10.00	10.00	0.00	236.70	
6,179.1	90.10	274.88	5,584.7	-353.1	-769.3	9.95	2.59	9.66	77.24	
10,678.7	90.10	274.88	5,576.9	29.6	-5,252.6	0.00	0.00	0.00	0.00	Escrito E26-2407 BHL

Database:	USA EDM 5000 Multi Users DB	**Local Co-ordinate Reference:**	Well Escrito E26-2407 01H
Company:	EnCana Oil & Gas (USA) Inc	**TVD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Project:	Rio Arriba County, NM	**MD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Site:	S26-T24N-R7W	**North Reference:**	True
Well:	Escrito E26-2407 01H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	HZ		
Design:	Plan #4		

Planned Survey

Measured 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	
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	
1,398.0	0.00	0.00	1,398.0	0.0	0.0	0.0	0.00	0.00	Ojo Alamo Ss.
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	
1,572.0	0.00	0.00	1,572.0	0.0	0.0	0.0	0.00	0.00	Kirtland Shale
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	
1,748.0	0.00	0.00	1,748.0	0.0	0.0	0.0	0.00	0.00	Fruitland Coal
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	
2,012.0	0.00	0.00	2,012.0	0.0	0.0	0.0	0.00	0.00	Pictured Cliffs Ss.
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	
2,110.0	0.00	0.00	2,110.0	0.0	0.0	0.0	0.00	0.00	Lewis Shale
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	
2,882.0	0.00	0.00	2,882.0	0.0	0.0	0.0	0.00	0.00	Cliffhouse Ss.
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	
3,610.0	0.00	0.00	3,610.0	0.0	0.0	0.0	0.00	0.00	Menefee Fn.
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	
4,290.0	0.00	0.00	4,290.0	0.0	0.0	0.0	0.00	0.00	Point Lookout Ss.
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	

Database:	USA EDM 5000 Multi Users DB	**Local Co-ordinate Reference:**	Well Escrito E26-2407 01H
Company:	EnCana Oil & Gas (USA) Inc	**TVD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Project:	Rio Arriba County, NM	**MD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Site:	S26-T24N-R7W	**North Reference:**	True
Well:	Escrito E26-2407 01H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	HZ		
Design:	Plan #4		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	
4,457.0	0.00	0.00	4,457.0	0.0	0.0	0.0	0.00	0.00	Mancos Shale
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	
4,984.6	0.00	0.00	4,984.6	0.0	0.0	0.0	0.00	0.00	KOP @ 4984'
5,000.0	1.54	236.70	5,000.0	-0.1	-0.2	0.2	10.00	10.00	
5,100.0	11.54	236.70	5,099.2	-6.4	-9.7	9.1	10.00	10.00	
5,150.3	16.56	236.70	5,148.0	-13.1	-19.9	18.7	10.00	10.00	Mancos Silt
5,200.0	21.53	236.70	5,195.0	-22.0	-33.4	31.4	10.00	10.00	
5,300.0	31.53	236.70	5,284.3	-46.5	-70.7	66.5	10.00	10.00	
5,355.1	37.03	236.70	5,329.8	-63.5	-96.6	90.9	10.00	10.00	Gallup Fn.
5,400.0	41.52	236.70	5,364.6	-79.1	-120.4	113.2	10.00	10.00	
5,500.0	51.52	236.70	5,433.3	-118.9	-181.0	170.2	10.00	10.00	
5,600.0	61.51	236.70	5,488.4	-164.6	-250.6	235.7	10.00	10.00	
5,700.0	71.51	236.70	5,528.2	-214.9	-327.1	307.7	10.00	10.00	
5,783.7	79.87	236.70	5,548.9	-259.4	-394.8	371.3	10.00	10.00	Start build/turn @ 5783' MD
5,800.0	80.23	238.30	5,551.7	-268.0	-408.4	384.1	9.95	2.22	
5,900.0	82.61	248.07	5,566.6	-312.5	-496.5	468.2	9.95	2.37	
6,000.0	85.19	257.74	5,577.3	-341.7	-591.5	560.3	9.95	2.58	
6,074.0	87.19	264.83	5,582.2	-352.9	-664.4	632.0	9.95	2.70	7"
6,100.0	87.91	267.32	5,583.3	-354.7	-690.3	657.6	9.95	2.75	
6,177.8	90.06	274.75	5,584.7	-353.3	-768.0	735.2	9.95	2.77	Horizontal Target
6,179.1	90.10	274.88	5,584.7	-353.1	-769.3	736.5	9.95	2.78	LP @ 6179' MD; 90.1° - Escrito E26-2407 TGT
6,200.0	90.10	274.88	5,584.7	-351.4	-790.1	757.4	0.00	0.00	
6,300.0	90.10	274.88	5,584.5	-342.9	-889.8	857.4	0.00	0.00	
6,400.0	90.10	274.88	5,584.3	-334.4	-989.4	957.4	0.00	0.00	
6,500.0	90.10	274.88	5,584.2	-325.9	-1,089.1	1,057.4	0.00	0.00	
6,600.0	90.10	274.88	5,584.0	-317.3	-1,188.7	1,157.4	0.00	0.00	
6,700.0	90.10	274.88	5,583.8	-308.8	-1,288.3	1,257.4	0.00	0.00	
6,800.0	90.10	274.88	5,583.6	-300.3	-1,388.0	1,357.4	0.00	0.00	
6,900.0	90.10	274.88	5,583.5	-291.8	-1,487.6	1,457.4	0.00	0.00	
7,000.0	90.10	274.88	5,583.3	-283.3	-1,587.2	1,557.4	0.00	0.00	
7,100.0	90.10	274.88	5,583.1	-274.8	-1,686.9	1,657.4	0.00	0.00	
7,200.0	90.10	274.88	5,582.9	-266.3	-1,786.5	1,757.4	0.00	0.00	
7,300.0	90.10	274.88	5,582.8	-257.8	-1,886.2	1,857.4	0.00	0.00	
7,400.0	90.10	274.88	5,582.6	-249.3	-1,985.8	1,957.4	0.00	0.00	
7,500.0	90.10	274.88	5,582.4	-240.8	-2,085.4	2,057.4	0.00	0.00	
7,600.0	90.10	274.88	5,582.2	-232.3	-2,185.1	2,157.4	0.00	0.00	
7,700.0	90.10	274.88	5,582.1	-223.8	-2,284.7	2,257.4	0.00	0.00	
7,800.0	90.10	274.88	5,581.9	-215.3	-2,384.3	2,357.4	0.00	0.00	
7,900.0	90.10	274.88	5,581.7	-206.8	-2,484.0	2,457.4	0.00	0.00	
8,000.0	90.10	274.88	5,581.5	-198.3	-2,583.6	2,557.4	0.00	0.00	
8,100.0	90.10	274.88	5,581.4	-189.8	-2,683.3	2,657.4	0.00	0.00	
8,200.0	90.10	274.88	5,581.2	-181.2	-2,782.9	2,757.4	0.00	0.00	
8,300.0	90.10	274.88	5,581.0	-172.7	-2,882.5	2,857.4	0.00	0.00	
8,400.0	90.10	274.88	5,580.8	-164.2	-2,982.2	2,957.4	0.00	0.00	
8,500.0	90.10	274.88	5,580.7	-155.7	-3,081.8	3,057.4	0.00	0.00	
8,600.0	90.10	274.88	5,580.5	-147.2	-3,181.4	3,157.4	0.00	0.00	
8,700.0	90.10	274.88	5,580.3	-138.7	-3,281.1	3,257.4	0.00	0.00	

Database:	USA EDM 5000 Multi Users DB	**Local Co-ordinate Reference:**	Well Escrito E26-2407 01H
Company:	EnCana Oil & Gas (USA) Inc	**TVD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Project:	Rio Arriba County, NM	**MD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Site:	S26-T24N-R7W	**North Reference:**	True
Well:	Escrito E26-2407 01H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	HZ		
Design:	Plan #4		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
8,800.0	90.10	274.88	5,580.1	-130.2	-3,380.7	3,357.4	0.00	0.00	
8,900.0	90.10	274.88	5,580.0	-121.7	-3,480.4	3,457.4	0.00	0.00	
9,000.0	90.10	274.88	5,579.8	-113.2	-3,580.0	3,557.4	0.00	0.00	
9,100.0	90.10	274.88	5,579.6	-104.7	-3,679.6	3,657.4	0.00	0.00	
9,200.0	90.10	274.88	5,579.4	-96.2	-3,779.3	3,757.4	0.00	0.00	
9,300.0	90.10	274.88	5,579.3	-87.7	-3,878.9	3,857.4	0.00	0.00	
9,400.0	90.10	274.88	5,579.1	-79.2	-3,978.5	3,957.4	0.00	0.00	
9,500.0	90.10	274.88	5,578.9	-70.7	-4,078.2	4,057.4	0.00	0.00	
9,600.0	90.10	274.88	5,578.7	-62.2	-4,177.8	4,157.4	0.00	0.00	
9,700.0	90.10	274.88	5,578.6	-53.6	-4,277.5	4,257.4	0.00	0.00	
9,800.0	90.10	274.88	5,578.4	-45.1	-4,377.1	4,357.4	0.00	0.00	
9,900.0	90.10	274.88	5,578.2	-36.6	-4,476.7	4,457.4	0.00	0.00	
10,000.0	90.10	274.88	5,578.0	-28.1	-4,576.4	4,557.4	0.00	0.00	
10,100.0	90.10	274.88	5,577.9	-19.6	-4,676.0	4,657.4	0.00	0.00	
10,200.0	90.10	274.88	5,577.7	-11.1	-4,775.6	4,757.4	0.00	0.00	
10,300.0	90.10	274.88	5,577.5	-2.6	-4,875.3	4,857.4	0.00	0.00	
10,400.0	90.10	274.88	5,577.3	5.9	-4,974.9	4,957.4	0.00	0.00	
10,500.0	90.10	274.88	5,577.2	14.4	-5,074.6	5,057.4	0.00	0.00	
10,600.0	90.10	274.88	5,577.0	22.9	-5,174.2	5,157.4	0.00	0.00	
10,678.7	90.10	274.88	5,576.9	29.6	-5,252.6	5,236.1	0.00	0.00	TD at 10678.7 - Escrito E26-2407 BHL (12.19)

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Escrito E26-2407 TGT (' - plan hits target center - Point	0.00	357.06	5,584.7	-353.1	-769.3	1,925,665.51	1,255,801.59	36.285170	-107.555020
Escrito E26-2407 BHL (1 - plan hits target center - Point	0.00	357.05	5,576.9	29.6	-5,252.6	1,926,108.55	1,251,323.85	36.286220	-107.570230

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
500.0	500.0	9 5/8"	9.625	12.250
6,074.0	5,582.2	7"	7.000	500.000

Database:	USA EDM 5000 Multi Users DB	**Local Co-ordinate Reference:**	Well Escrito E26-2407 01H
Company:	EnCana Oil & Gas (USA) Inc	**TVD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Project:	Rio Arriba County, NM	**MD Reference:**	13' KB @ 6780.0ft (Original Well Elev)
Site:	S26-T24N-R7W	**North Reference:**	True
Well:	Escrito E26-2407 01H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	HZ		
Design:	Plan #4		

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,398.0	1,398.0	Ojo Alamo Ss.		-0.10	274.88
1,572.0	1,572.0	Kirtland Shale		-0.10	274.88
1,748.0	1,748.0	Fruitland Coal		-0.10	274.88
2,012.0	2,012.0	Pictured Cliffs Ss.		-0.10	274.88
2,110.0	2,110.0	Lewis Shale		-0.10	274.88
2,882.0	2,882.0	Cliffhouse Ss.		-0.10	274.88
3,610.0	3,610.0	Menefee Fn.		-0.10	274.88
4,290.0	4,290.0	Point Lookout Ss.		-0.10	274.88
4,457.0	4,457.0	Mancos Shale		-0.10	274.88
5,150.3	5,148.0	Mancos Silt		-0.10	274.88
5,355.1	5,330.0	Gallup Fn.		-0.10	274.88
6,177.8	5,586.0	Horizontal Target		-0.10	274.88

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
4,984.6	4,984.6	0.0	0.0	KOP @ 4984'
5,783.7	5,548.9	-259.4	-394.8	Start build/turn @ 5783' MD
6,179.1	5,584.7	-353.1	-769.3	LP @ 6179' MD; 90.1°
10,678.7	5,576.9	29.6	-5,252.6	TD at 10678.7

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FEB 21 2013
Farmington Field Office
Bureau of Land Management

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NMSF-0078562 & NMNM-0014023
	6. If Indian, Allottee or Tribe Name N/A
	7. If Unit of CA/Agreement, Name and/or No. N/A
	8. Well Name and No. Escrito D26-2407 01H (to be renamed - see below)
2. Name of Operator Encana Oil & Gas (USA) Inc.	9. API Well No. 30-039-31148
3a. Address 370 17th Street, Suite 1700 Denver CO, 80202 3b. Phone No. *(include area code)* 720-876-5331	10. Field and Pool or Exploratory Area Escrito-Gallup Associated Pool
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* SHL: 1766' FNL and 431' FWL, Section 26, T24N R7W BHL: 2150' FNL and 330' FWL, Section 27, T24N R7W	11. Country or Parish, State Rio Arriba, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Encana Oil & Gas (USA) Inc. (Encana) would like to rename the Escrito D26-2407 01H to be the Escrito E26-2407 01H due to the proposed change in surface hole and well pad location, which will now be in the SWNW of Section 26, T24N R7W. In line with the new proposed surface hole location, Encana would like to adjust the bottom hole location, target depths, access road and pipeline installation, 10-point Drilling Plan, casing and cementing program, wellbore diagram, wellbore directional plan and design, and Surface Use Plan of Operations for the renamed Escrito E26-2407 01H oil well

Please see the attached description of Proposed Operation for further detail.

RCVD JUN 10 '13
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)* Holly Hill	Title Regulatory Analyst
Signature Holly Hill	Date 2/20/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Conditions of approval, if any, are attached. Approval of this notice 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.	Title AFM Office FFO	Date 6/3/13

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.

(Instructions on page 2)

NMOCD

13. Proposed Operation Change of Plans for the Escrito E26-2407 01H well (fka Escrito D26-2407 01H well)

Please find attached a revised Application for Permit to Drill for the Escrito E26-2407 01H (fka Escrito D26-2407 01H) Oil well reflecting the following adjustments:

The new surface hole location will be 1766' FNL and 431' FWL Section 26, T24N R7W.

The new bottom hole location will be 2150' FNL and 330' FWL Section 27, T24N R7W.

The new target depths for the horizontal lateral will be 5577' TVD and 10679' MD.

The adjacent wells to the Escrito E26-2407 01H well (Sheet D).

The new proposed well site plan and profile (Sheets F-1 and F-2).

The new proposed well site layout and proposed production facility layout (Sheets G-1, G-2 and H)

The new access road route is 2,786-feet in length and is further depicted on Sheet B-1 and Sheet B-2. Construction, maintenance and reclamation plans for the access road are discussed in the Surface Use Plan of Operations.

The new pipeline route is 5,784-feet in length and is further depicted on Sheet E. Construction, maintenance and reclamation plans for the pipeline are discussed in the Surface Use Plan of Operations.

The new 10-point drilling plan reflecting changes to the elevation, geological formation depths, depth of the casing and cementing program and well plan and directional drilling program.

The new wellbore diagram reflecting the changes to the estimated depths of the casing program.

Please see attached blowout control system diagram for the Escrito E26-2407 01H well.

The new directional drilling plans Escrito E26-2407 01H well.

The new Surface Use Plan of Operations reflecting changes to the new or reconstructed access roads, location of existing and/or proposed facilities, construction material and methods, and plans for surface reclamation.

The new Certification Statement for the Escrito E26-2407 01H well.