

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

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

WELL API NO. 30-045-35362
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Escrito 116-2409
8. Well Number 01H
9. OGRID Number 282327
10. Pool name or Wildcat Bisti Lower - Gallup
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6821 GR

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 [X] 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 I: 2230 feet from the SOUTH line and 300 feet from the EAST line
BHL: Unit Letter L: 2250 feet from the SOUTH line and 336 feet from the WEST line.
Section 16 Township 24N Range 9W NMPM County San Juan

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 []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [X] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
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.

Please see attached sheet detailing remediation operations conducted between 5/2/13 and 5/9/13, the chart of our 30-minute 500psi pressure test of the squeeze perms, and cement bond log.

RCVD MAY 17 '13
OIL CONS. DIV.
DIST. 3

Spud Date: 1/26/13

Rig Release Date: 2/25/13

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 5/15/13

Type or print name Amanda Cavoto E-mail address: amanda.cavoto@encana.com PHONE: 720-876-3437
For State Use Only Deputy Oil & Gas Inspector, District #3

APPROVED BY: [Signature] TITLE DATE 6/3/13
Conditions of Approval (if any): PV

05/02/2013 – MIRU Key 15 workover rig, bled down TBG & CSG.

05/03/2013 – Set RBP in 4.5" CSG @ 3500', Loaded 4.5" CSG with fresh water and tested RBP to 1000 psi, held OK. RIH with chemical cutter and cut 4.5" CSG @ 3010', POOH with 68 JTS of 4.5" 11.6# L80 CSG, 1 cut off JT, and 1 pup JT.

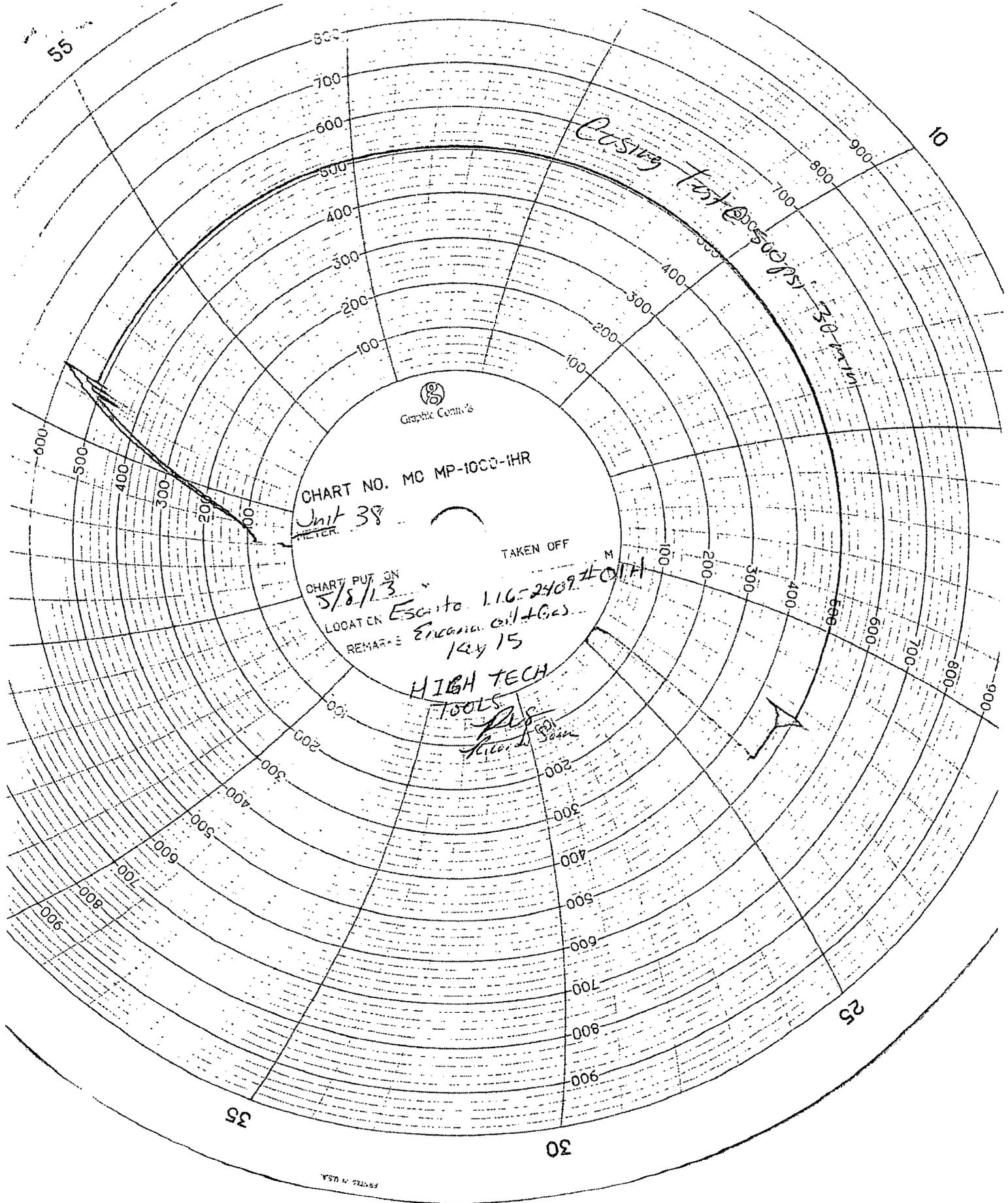
05/04/2013 – MIRU Basin Wireline, RIH and set retrievable bridge plug in 7" intermediate CSG @ 2500' MD, dump 2 sx sand on RBP. Pressure up 7" CSG to 1000 psi and run CBL from 2000' to surface. TOC improved to 1380' MD (possible bond from 1340'-1380') and no bond at or below the surface CSG shoe. Discussed results of new CBL with Charlie Perrin and Brandon Powell with the NMOCD. Concluded that the Ojo Alamo/Nacimiento interface at 950' MD and the Ojo Alamo/Kirtland interface at 1137' MD require cement 50' above and below each interface for adequate proof of zonal isolation.

05/05/2013 – RU Basin Wireline and RIH w/ perf guns. Perf'd 4 squeeze holes at 1187' MD. Established circulation thru squeeze holes to surface for ~1 bbl then lost circulation. Attempted to regain circulation, injected at 2 bpm @ 1000 psi, no circulation to surface. Decided to proceed with cement squeeze attempt.

05/06/2013 – MIRU Baker cement crew. Mix and pump 100 sx Premium Lite Cement @ 12.1 ppg, tailed in with 23 Sacks Type III @ 14.6 ppg, had slight circulation to surface during cementing operations. Shut in well over night and wait on cement.

05/08/2013 – MIRU rig crew, drill out cement, tested squeeze perms to 500 psi, charted for 30 minutes—good test. MIRU Basin Wireline, ran CBL. New TOC is 765' with good bond from squeeze holes at 1187' and up.

05/09/2013 – MIRU rig crew, RIH and retrieve 7" RBP, RIH with new 4.5" CSG and external casing patch, latch on to 4.5" CSG top and engage external CSG patch, set slips on 4.5" CSG with 70,000#, install CSG spool, test wellhead to 5000 psi—good test. Test 4.5" CSG & patch to 1500 psi—good test. RIH w/ TBG and retrieve 4.5" RBP at 3500'. RIH with 2-3/8" 4.7# J55 TBG, five gas lift mandrels, and packer, set packer at 5530' MD. Land TBG, RDMO workover rig—well is ready for gas lift assisted production.



55

10

Casing Test @ 500 PSI - 30 min

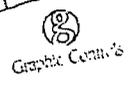


CHART NO. MC MP-1000-1HR
Unit 38

TAKEN OFF

CHART PUT ON
5/8/13

LOCAT CN

*Escrito 116-2409-1011
Encomia Oil & Gas
Key 15*

HIGH TECH

TOOLS

*MS
Sloan*

25

30

35