

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

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 3160-4 or 3160-5 form.

Operator Signature Date: July 7th, 2014

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng
30-045-35493-00-00	GOOD TIMES D14 2410	001H	ENCANA OIL & GAS (USA) INC.	G	N	San Juan	F	D	14	24	N	10

Application Type:

☐ P&A ☒ Drilling/Casing Change ☐ Recomplete/DHC
☒ Location Change ☒ Other: Add pilot hole, change project area

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Hold C104 for directional survey, as drilled plat, NSL, NSP

Pilot hole plug must cover 100 feet above and below tops of Mancos and Gallup

Pool name/code cannot be changed until Pinon Unit is ratified

NMOCD Approved by Signature

7/28/14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 09 2014

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

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.

5. Lease Serial No.
NMNM 100807 & NMNM 16760
6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

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

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

3b. Phone No. (include area code)

7. If Unit of CA/Agreement, Name and/or No.
Piñon Unit

8. Well Name and No.
Good Times D14-2410 01H

9. API Well No.
30-045-35493

10. Field and Pool or Exploratory Area
Basin Mancos Gas Pool

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL:1321' FNL and 449' FWL Section 14, T24N, R10W BHL: 920' FNL and 1581' FEL Section 16, T24N, R10W

11. County or Parish, State
San Juan County, 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 <u>Well name change</u>
	☒ 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 recompleat 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 recompleat 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 recently finalized the formation of a 7,845.44 acre Federal exploratory unit named the Piñon Unit. The Piñon Unit hearing occurred on May 29, 2014 at the Oil Conservation Division in Santa Fe, in which Encana requested an undivided unit be formed that would also encompass its own unique oil pool designation. Therefore, the Good Times D14-2410 01H well will now be a part of the Piñon Unit and we are submitting this sundry application to change the well name from the Good Times D14-2410 01H to the Piñon Unit D14-2410 01H. Encana Oil & Gas (USA) Inc. also submits a revised survey package, Directional Plan, Drilling Plan and Well Summary, which all reflect a change in the bottom hole location. The wellbore lateral was extended into Section 16 as a result of this well being included in the Encana Piñon Unit.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations

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

OIL CONS. DIV DIST. 3

JUL 18 2014

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Shannon Turk

Title Regulatory Analyst

Signature

Shannon Turk

Date 07/07/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

William Tambekou

Title

Petroleum Engineer

Date

7/16/2014

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.

Office *FFO*

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)

RECEIVED

DISTRICT I

1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 593-6161 Fax: (575) 593-0780

DISTRICT II

611 S. First St., Artesia, N.M. 88210
Phone: (505) 746-1823 Fax: (505) 746-9780

DISTRICT III

1000 Rio Bravo Rd., Arco, N.M. 87410
Phone: (505) 834-6179 Fax: (505) 834-6170

DISTRICT IV

1220 S. E. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3488

State of New Mexico
Energy, Minerals & Natural Resources Department

RECEIVED

Form C-102

Revised August 1, 2011

JUL 9 2014

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Oil Field Office
Bureau of Land Management

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-35493		*Pool Code 97232	*Pool Name BASIN MANCOS GAS
*Property Code 313588	*Property Name PIÑON UNIT D14-2410		*Well Number 01H
*GRID No. 282327	*Operator Name ENCANA OIL & GAS (USA) INC.		*Elevation 6876.4'

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
D	14	24N	10W		1321'	NORTH	449'	WEST	SAN JUAN

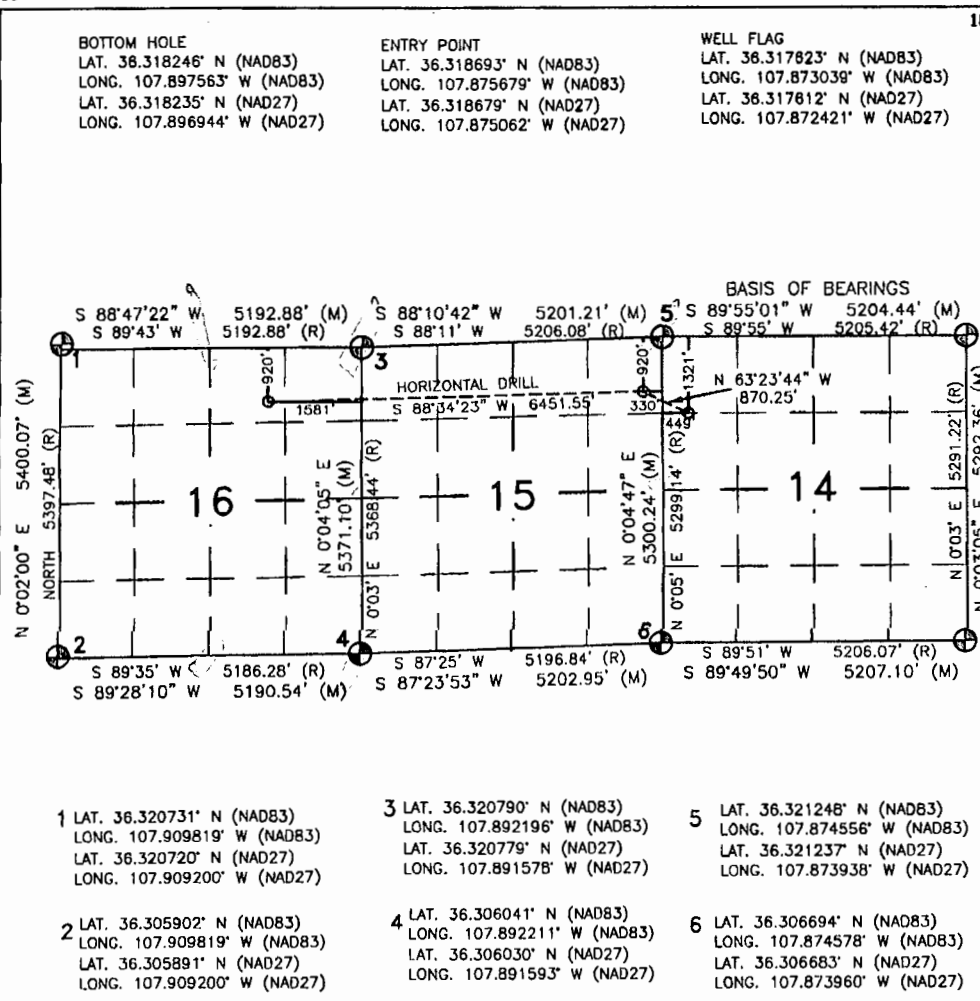
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	24N	10W		920'	NORTH	1581'	EAST	SAN JUAN

*Dedicated Acres 7845.44 ACRES W/2 OF SEC. 4, SEC. 5-10, 15-18, 21, N/2 OF SEC. 22, & N/2 OF SEC. 28 - UNDIVIDED UNIT, PENETRATED SPACING UNITS: N/2 SEC. 15, E/2 SEC. 18	*Joint or Infill 640 acres	*Consolidation Code	*Order No. R-13857
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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



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.

Shannon Turk 7/8/14
Signature Date

Shannon Turk

Printed Name

shannon.turk@encana.com

E-mail Address

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.

JUNE 18, 2013

Date of Survey

Signature and Seal of Professional Surveyor:

DAVID B. RUSSELL
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR
1020
DAVID RUSSELL
Certificate Number 10201

DISTRICT I

1685 N. French Dr., Hobbs, N.M. 88240
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1000 Rio Bravo Rd., Artesia, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

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Phone: (505) 476-3460 Fax: (505) 476-3468

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

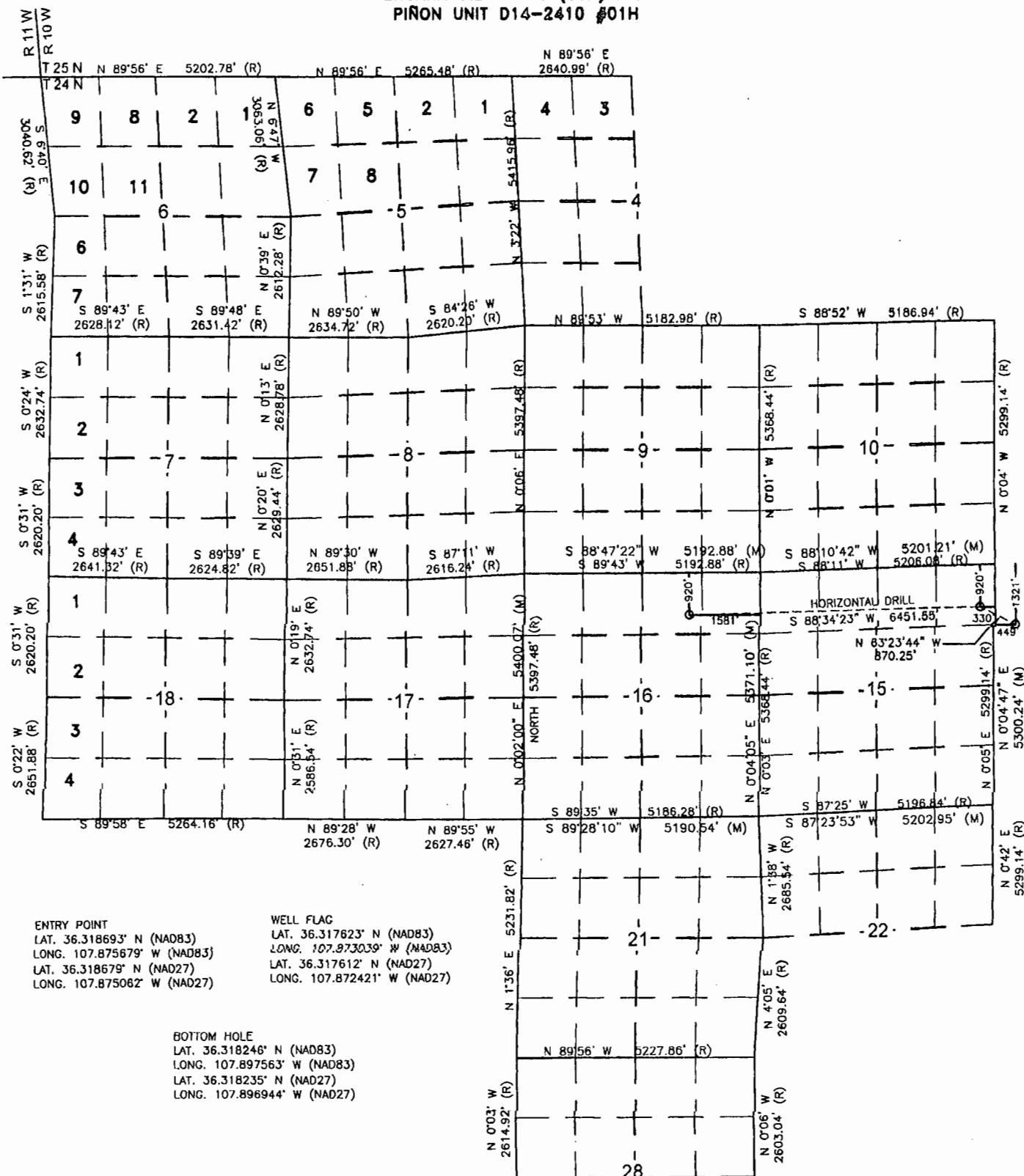
Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

ENCANA OIL & GAS (USA) INC.
PIRON UNIT D14-2410 #01H



ENCANA OIL & GAS (USA) INC.

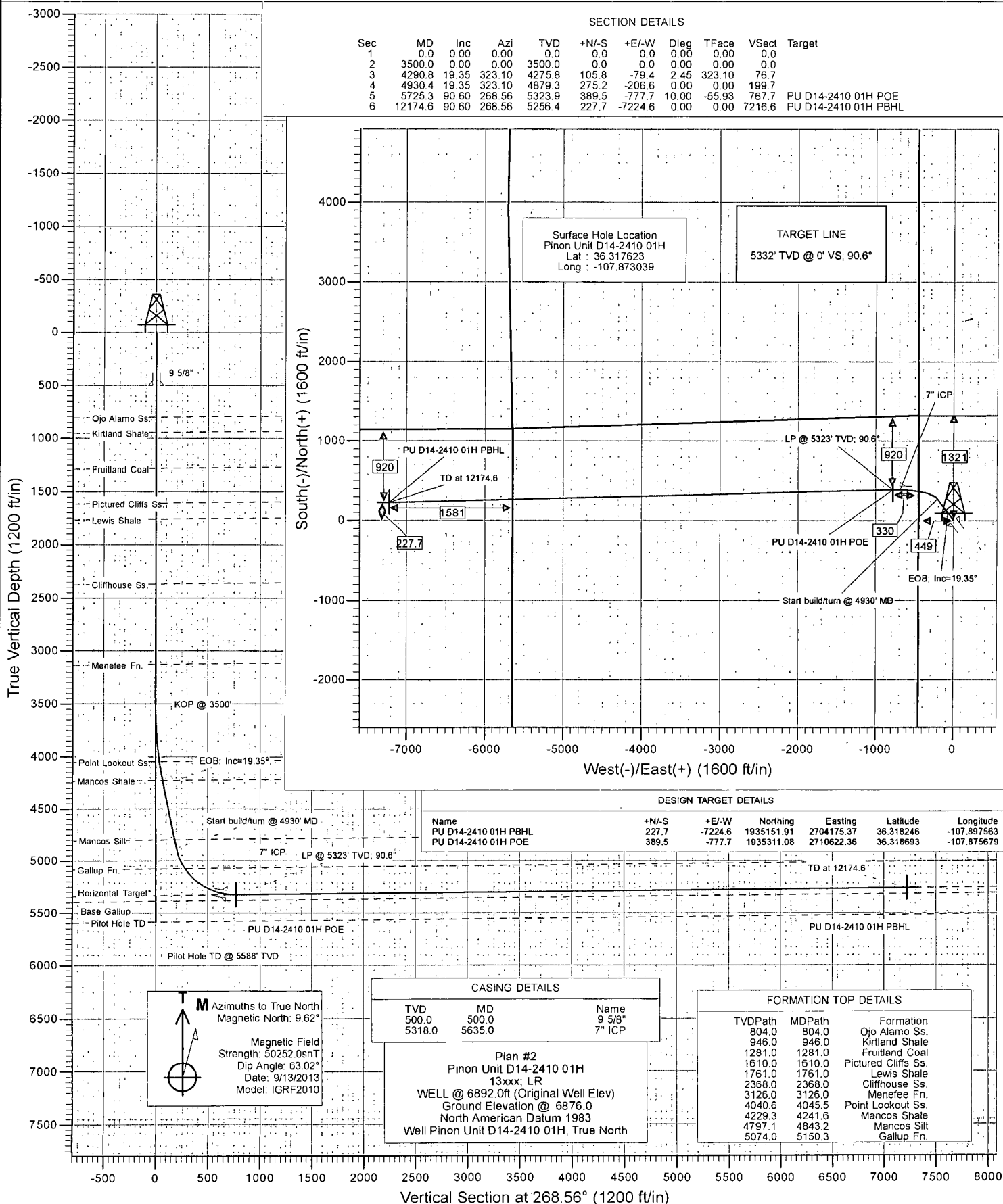
PIÑON UNIT D14-2410 #01H
1321' FNL & 449' FWL
LOCATED IN THE NW/4 NW/4 OF SECTION 14,
T24N, R10W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 28.2 MILES TO HWY 57 (M.P. 123.4).
- 2) TURN RIGHT ONTO HWY 57 AND GO 4.3 MILES.
- 3) TURN LEFT AND GO THROUGH GATE.
- 4) GO 0.1 MILES AND GO THROUGH SECOND GATE.
- 5) TRAVEL 0.7 MILES WHERE ACCESS IS STAKED ON LEFT SIDE OF ROAD.

WELL FLAG LOCATED AT LAT. 36.317623° N, LONG. 107.873039° W (NAD 83).





Planning Report

Database: USA EDM 5000 Multi Users DB
Company: EnCana Oil & Gas (USA) Inc
Project: San Juan County, NM
Site: S14-T24N-R10W
Well: Pinon Unit D14-2410 01H
Wellbore: Hz
Design: Plan #2

Local Co-ordinate Reference: Well Pinon Unit D14-2410 01H
TVD Reference: WELL @ 6892.0ft (Original Well Elev)
MD Reference: WELL @ 6892.0ft (Original Well Elev)
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	S14-T24N-R10W		
Site Position:		Northing:	1,934,894.31 ft
From:	Lat/Long	Easting:	2,711,386.96 ft
Position Uncertainty:	0.0 ft	Slot Radius:	13.200 in
		Latitude:	36.317549
		Longitude:	-107.873083
		Grid Convergence:	-0.02 °

Well	Pinon Unit D14-2410 01H		
Well Position	+N/-S	0.0 ft	Northing: 1,934,921.24 ft
	+E/-W	0.0 ft	Easting: 2,711,399.93 ft
Position Uncertainty	0.0 ft	Wellhead Elevation:	ft
		Latitude:	36.317623
		Longitude:	-107.873039
		Ground Level:	6,876.0 ft

Wellbore	Hz				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	9/13/2013	9.62	63.02	50,252

Design	Plan #2				
Audit Notes:					
Version:	Phase:	PLAN		Tie On Depth:	0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(ft)	(ft)	(ft)	(°)	
	0.0	0.0	0.0	268.56	

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	
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,290.8	19.35	323.10	4,275.8	105.8	-79.4	2.45	2.45	0.00	323.10	
4,930.4	19.35	323.10	4,879.3	275.2	-206.6	0.00	0.00	0.00	0.00	
5,725.3	90.60	268.56	5,323.9	389.5	-777.7	10.00	8.96	-6.86	-55.93	PU D14-2410 01H PC
12,174.6	90.60	268.56	5,256.4	227.7	-7,224.6	0.00	0.00	0.00	0.00	PU D14-2410 01H PE

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MD Reference: WELL @ 6892.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

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	
804.0	0.00	0.00	804.0	0.0	0.0	0.0	0.00	0.00	Ojo Alamo Ss.
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	
946.0	0.00	0.00	946.0	0.0	0.0	0.0	0.00	0.00	Kirtland Shale
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	
1,281.0	0.00	0.00	1,281.0	0.0	0.0	0.0	0.00	0.00	Fruitland Coal
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	
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	
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	
1,610.0	0.00	0.00	1,610.0	0.0	0.0	0.0	0.00	0.00	Pictured Cliffs Ss.
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	
1,761.0	0.00	0.00	1,761.0	0.0	0.0	0.0	0.00	0.00	Lewis Shale
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	
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	
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	
2,368.0	0.00	0.00	2,368.0	0.0	0.0	0.0	0.00	0.00	Cliffhouse Ss.
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	
2,900.0	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	
3,126.0	0.00	0.00	3,126.0	0.0	0.0	0.0	0.00	0.00	Menefee Fn.
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	KOP @ 3500'
3,600.0	2.45	323.10	3,600.0	1.7	-1.3	1.2	2.45	2.45	
3,700.0	4.89	323.10	3,699.8	6.8	-5.1	5.0	2.45	2.45	
3,800.0	7.34	323.10	3,799.2	15.3	-11.5	11.1	2.45	2.45	
3,900.0	9.79	323.10	3,898.1	27.3	-20.5	19.8	2.45	2.45	
4,000.0	12.23	323.10	3,996.2	42.5	-31.9	30.8	2.45	2.45	
4,045.5	13.35	323.10	4,040.6	50.6	-38.0	36.7	2.45	2.45	Point Lookout Ss.
4,100.0	14.68	323.10	4,093.5	61.1	-45.9	44.3	2.45	2.45	
4,200.0	17.13	323.10	4,189.6	83.0	-62.4	60.2	2.45	2.45	
4,241.6	18.15	323.10	4,229.3	93.1	-69.9	67.6	2.45	2.45	Mancos Shale

Planning Report

Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S14-T24N-R10W
 Well: Pinon Unit D14-2410 01H
 Wellbore: Hz
 Design: Plan #2

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 MD Reference: WELL @ 6892.0ft (Original Well Elev)
 North Reference: True
 Survey Calculation Method: Minimum Curvature

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
4,290.8	19.35	323.10	4,275.8	105.8	-79.4	76.7	2.45	2.45	EOB; Inc=19.35°
4,300.0	19.35	323.10	4,284.5	108.2	-81.2	78.5	0.00	0.00	
4,400.0	19.35	323.10	4,378.9	134.7	-101.1	97.7	0.00	0.00	
4,500.0	19.35	323.10	4,473.2	161.2	-121.0	116.9	0.00	0.00	
4,600.0	19.35	323.10	4,567.6	187.7	-140.9	136.2	0.00	0.00	
4,700.0	19.35	323.10	4,661.9	214.2	-160.8	155.4	0.00	0.00	
4,800.0	19.35	323.10	4,756.3	240.7	-180.7	174.6	0.00	0.00	
4,843.2	19.35	323.10	4,797.1	252.1	-189.3	182.9	0.00	0.00	Mancos Silt
4,900.0	19.35	323.10	4,850.6	267.2	-200.6	193.8	0.00	0.00	
4,930.4	19.35	323.10	4,879.3	275.2	-206.6	199.7	0.00	0.00	Start build/turn @ 4930' MD
5,000.0	23.93	308.77	4,944.1	293.3	-224.6	217.2	10.00	6.58	
5,100.0	31.97	295.95	5,032.4	317.7	-264.3	256.2	10.00	8.04	
5,150.3	36.36	291.55	5,074.0	329.0	-290.2	281.8	10.00	8.72	Gallup Fn.
5,200.0	40.82	288.03	5,112.9	339.4	-319.3	310.7	10.00	8.98	
5,300.0	50.04	282.57	5,183.0	357.9	-388.0	378.9	10.00	9.22	
5,400.0	59.45	278.43	5,240.7	372.6	-468.2	458.7	10.00	9.41	
5,500.0	68.97	275.03	5,284.1	383.0	-557.5	547.7	10.00	9.52	
5,600.0	78.55	272.05	5,312.1	388.9	-653.2	643.2	10.00	9.58	
5,635.0	81.92	271.06	5,318.0	389.8	-687.7	677.7	10.00	9.60	7" ICP
5,700.0	88.16	269.26	5,323.6	390.0	-752.4	742.4	10.00	9.61	
5,725.3	90.60	268.56	5,323.9	389.5	-777.7	767.7	10.00	9.62	LP @ 5323' TVD; 90.6°
5,800.0	90.60	268.56	5,323.1	387.6	-852.4	842.4	0.00	0.00	
5,900.0	90.60	268.56	5,322.1	385.1	-952.3	942.3	0.00	0.00	
6,000.0	90.60	268.56	5,321.0	382.6	-1,052.3	1,042.3	0.00	0.00	
6,100.0	90.60	268.56	5,320.0	380.1	-1,152.3	1,142.3	0.00	0.00	
6,200.0	90.60	268.56	5,318.9	377.6	-1,252.2	1,242.3	0.00	0.00	
6,300.0	90.60	268.56	5,317.9	375.1	-1,352.2	1,342.3	0.00	0.00	
6,400.0	90.60	268.56	5,316.8	372.6	-1,452.1	1,442.3	0.00	0.00	
6,500.0	90.60	268.56	5,315.8	370.1	-1,552.1	1,542.3	0.00	0.00	
6,600.0	90.60	268.56	5,314.7	367.6	-1,652.1	1,642.3	0.00	0.00	
6,700.0	90.60	268.56	5,313.7	365.1	-1,752.0	1,742.3	0.00	0.00	
6,800.0	90.60	268.56	5,312.7	362.6	-1,852.0	1,842.3	0.00	0.00	
6,900.0	90.60	268.56	5,311.6	360.0	-1,952.0	1,942.3	0.00	0.00	
7,000.0	90.60	268.56	5,310.6	357.5	-2,051.9	2,042.3	0.00	0.00	
7,100.0	90.60	268.56	5,309.5	355.0	-2,151.9	2,142.3	0.00	0.00	
7,200.0	90.60	268.56	5,308.5	352.5	-2,251.8	2,242.3	0.00	0.00	
7,300.0	90.60	268.56	5,307.4	350.0	-2,351.8	2,342.3	0.00	0.00	
7,400.0	90.60	268.56	5,306.4	347.5	-2,451.8	2,442.3	0.00	0.00	
7,500.0	90.60	268.56	5,305.3	345.0	-2,551.7	2,542.3	0.00	0.00	
7,600.0	90.60	268.56	5,304.3	342.5	-2,651.7	2,642.3	0.00	0.00	
7,700.0	90.60	268.56	5,303.2	340.0	-2,751.7	2,742.2	0.00	0.00	
7,800.0	90.60	268.56	5,302.2	337.5	-2,851.6	2,842.2	0.00	0.00	
7,900.0	90.60	268.56	5,301.1	335.0	-2,951.6	2,942.2	0.00	0.00	
8,000.0	90.60	268.56	5,300.1	332.4	-3,051.6	3,042.2	0.00	0.00	
8,100.0	90.60	268.56	5,299.1	329.9	-3,151.5	3,142.2	0.00	0.00	
8,200.0	90.60	268.56	5,298.0	327.4	-3,251.5	3,242.2	0.00	0.00	
8,300.0	90.60	268.56	5,297.0	324.9	-3,351.4	3,342.2	0.00	0.00	
8,400.0	90.60	268.56	5,295.9	322.4	-3,451.4	3,442.2	0.00	0.00	
8,500.0	90.60	268.56	5,294.9	319.9	-3,551.4	3,542.2	0.00	0.00	
8,600.0	90.60	268.56	5,293.8	317.4	-3,651.3	3,642.2	0.00	0.00	
8,700.0	90.60	268.56	5,292.8	314.9	-3,751.3	3,742.2	0.00	0.00	
8,800.0	90.60	268.56	5,291.7	312.4	-3,851.3	3,842.2	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: S14-T24N-R10W
Well: Pinon Unit D14-2410 01H
Wellbore: Hz
Design: Plan #2

Local Co-ordinate Reference: Well Pinon Unit D14-2410 01H
TVD Reference: WELL @ 6892.0ft (Original Well Elev)
MD Reference: WELL @ 6892.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

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
8,900.0	90.60	268.56	5,290.7	309.9	-3,951.2	3,942.2	0.00	0.00	
9,000.0	90.60	268.56	5,289.6	307.4	-4,051.2	4,042.2	0.00	0.00	
9,100.0	90.60	268.56	5,288.6	304.8	-4,151.1	4,142.2	0.00	0.00	
9,200.0	90.60	268.56	5,287.5	302.3	-4,251.1	4,242.2	0.00	0.00	
9,300.0	90.60	268.56	5,286.5	299.8	-4,351.1	4,342.2	0.00	0.00	
9,400.0	90.60	268.56	5,285.5	297.3	-4,451.0	4,442.2	0.00	0.00	
9,500.0	90.60	268.56	5,284.4	294.8	-4,551.0	4,542.2	0.00	0.00	
9,600.0	90.60	268.56	5,283.4	292.3	-4,651.0	4,642.1	0.00	0.00	
9,700.0	90.60	268.56	5,282.3	289.8	-4,750.9	4,742.1	0.00	0.00	
9,800.0	90.60	268.56	5,281.3	287.3	-4,850.9	4,842.1	0.00	0.00	
9,900.0	90.60	268.56	5,280.2	284.8	-4,950.8	4,942.1	0.00	0.00	
10,000.0	90.60	268.56	5,279.2	282.3	-5,050.8	5,042.1	0.00	0.00	
10,100.0	90.60	268.56	5,278.1	279.8	-5,150.8	5,142.1	0.00	0.00	
10,200.0	90.60	268.56	5,277.1	277.2	-5,250.7	5,242.1	0.00	0.00	
10,300.0	90.60	268.56	5,276.0	274.7	-5,350.7	5,342.1	0.00	0.00	
10,400.0	90.60	268.56	5,275.0	272.2	-5,450.7	5,442.1	0.00	0.00	
10,500.0	90.60	268.56	5,273.9	269.7	-5,550.6	5,542.1	0.00	0.00	
10,600.0	90.60	268.56	5,272.9	267.2	-5,650.6	5,642.1	0.00	0.00	
10,700.0	90.60	268.56	5,271.8	264.7	-5,750.6	5,742.1	0.00	0.00	
10,800.0	90.60	268.56	5,270.8	262.2	-5,850.5	5,842.1	0.00	0.00	
10,900.0	90.60	268.56	5,269.8	259.7	-5,950.5	5,942.1	0.00	0.00	
11,000.0	90.60	268.56	5,268.7	257.2	-6,050.4	6,042.1	0.00	0.00	
11,100.0	90.60	268.56	5,267.7	254.7	-6,150.4	6,142.1	0.00	0.00	
11,200.0	90.60	268.56	5,266.6	252.2	-6,250.4	6,242.1	0.00	0.00	
11,300.0	90.60	268.56	5,265.6	249.6	-6,350.3	6,342.1	0.00	0.00	
11,400.0	90.60	268.56	5,264.5	247.1	-6,450.3	6,442.0	0.00	0.00	
11,500.0	90.60	268.56	5,263.5	244.6	-6,550.3	6,542.0	0.00	0.00	
11,600.0	90.60	268.56	5,262.4	242.1	-6,650.2	6,642.0	0.00	0.00	
11,700.0	90.60	268.56	5,261.4	239.6	-6,750.2	6,742.0	0.00	0.00	
11,800.0	90.60	268.56	5,260.3	237.1	-6,850.1	6,842.0	0.00	0.00	
11,900.0	90.60	268.56	5,259.3	234.6	-6,950.1	6,942.0	0.00	0.00	
12,000.0	90.60	268.56	5,258.2	232.1	-7,050.1	7,042.0	0.00	0.00	
12,100.0	90.60	268.56	5,257.2	229.6	-7,150.0	7,142.0	0.00	0.00	
12,174.6	90.60	268.56	5,256.4	227.7	-7,224.6	7,216.6	0.00	0.00	TD at 12174.6

Planning Report

Database: USA EDM 5000 Multi Users DB
Company: EnCana Oil & Gas (USA) Inc
Project: San Juan County, NM
Site: S14-T24N-R10W
Well: Pinon Unit D14-2410 01H
Wellbore: Hz
Design: Plan #2

Local Co-ordinate Reference: Well Pinon Unit D14-2410 01H
TVD Reference: WELL @ 6892.0ft (Original Well Elev)
MD Reference: WELL @ 6892.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

Targets

Target Name	- hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Good Times D14-2410 0	- plan misses target center by 13.0ft at 5725.2ft MD (5323.9 TVD, 389.5 N, -777.6 E)	0.00	0.00	5,310.9	389.5	-777.7	1,935,311.08	2,710,622.36	36.318693	-107.875679
PU D14-2410 01H POE	- plan hits target center	0.00	0.00	5,323.9	389.5	-777.7	1,935,311.08	2,710,622.36	36.318693	-107.875679
Good Times D14-2410 0	- plan misses target center by 33.8ft at 10265.0ft MD (5276.4 TVD, 275.6 N, -5315.7 E)	0.00	0.00	5,263.4	244.4	-5,314.8	1,935,167.82	2,706,085.24	36.318293	-107.891080
PU D14-2410 01H PBHL	- plan hits target center	0.00	0.00	5,256.4	227.7	-7,224.6	1,935,151.91	2,704,175.37	36.318246	-107.897563

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
500.0	500.0	9 5/8"	0.000	0.000
5,635.0	5,318.0	7" ICP	0.000	0.000

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
804.0	804.0	Ojo Alamo Ss.		-0.60	268.56
946.0	946.0	Kirtland Shale		-0.60	268.56
1,281.0	1,281.0	Fruitland Coal		-0.60	268.56
1,610.0	1,610.0	Pictured Cliffs Ss.		-0.60	268.56
1,761.0	1,761.0	Lewis Shale		-0.60	268.56
2,368.0	2,368.0	Cliffhouse Ss.		-0.60	268.56
3,126.0	3,126.0	Menefee Fn.		-0.60	268.56
4,045.5	4,041.0	Point Lookout Ss.		-0.60	268.56
4,241.6	4,230.0	Mancos Shale		-0.60	268.56
4,843.2	4,799.0	Mancos Silt		-0.60	268.56
5,150.3	5,077.0	Gallup Fn.		-0.60	268.56

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,500.0	3,500.0	0.0	0.0	KOP @ 3500'
4,290.8	4,275.8	105.8	-79.4	EOB; Inc=19.35°
4,930.4	4,879.3	275.2	-206.6	Start build/turn @ 4930' MD
5,725.3	5,323.9	389.5	-777.7	LP @ 5323' TVD; 90.6°
12,174.6	5,256.4	227.7	-7,224.6	TD at 12174.6

Pinon Unit D14-2410 01H
SHL: NWNW 14 24N 10W
1321 FNL 449 FWL
BHL: NWNE 16 24N 10W
920 FNL 1581 FEL
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
Ojo Alamo Ss.	804
Kirtland Shale	946
Fruitland Coal	1,281
Pictured Cliffs Ss.	1,610
Lewis Shale	1,761
Cliffhouse Ss.	2,368
Menefee Fn.	3,126
Point Lookout Ss.	4,041
Mancos Shale	4,230
Mancos Silt	4,799
Gallup Fn.	5,077

The referenced surface elevation is 6876', KB 6892'

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

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,281
Oil/Gas	Pictured Cliffs Ss.	1,610
Oil/Gas	Cliffhouse Ss.	2,368
Gas	Menefee Fn.	3,126
Oil/Gas	Point Lookout Ss.	4,041
Oil/Gas	Mancos Shale	4,230
Oil/Gas	Mancos Silt	4,799
Oil/Gas	Gallup Fn.	5,077

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

3. PRESSURE CONTROL

- Pressure control equipment and configuration will be designed to meet 2M standards.
- Working pressure on rams and BOPE will be 3,000 psi.
- Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- The Annular BOP will be pressure tested to a minimum of 50 percent of its rated working pressure.
- Blind and Pipe Rams/BOP will be tested against a test plug to 100 percent of rated working pressure.
- Pressure tests are required before drilling out from under all casing strings set and cemented in place.

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- 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
- 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'	30"	20"	94#	
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-5635'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5435'-12175'	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

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.

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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'	314 sks	HALCEM™ SYSTEM + 2% CaCl ₂ + 0.125lbm/sk Poly-E-Flake. 15.8 ppg, 1.174 cuft/sk	Surface	1 per joint on bottom 3 joints
Intermediate	0'-5635'	30% open hole excess Stage 1 Lead: 352 sks Stage 1 Tail: 377 sks Stage 2 Lead: 175 sks	Stage 1 Lead: HALCEM™ SYSTEM + 0.2% HR-5 + 5lbm/sk Kol-Seal + 0.125lbm/sk Poly-E-Flake. 12.3 ppg, 1.948 cuft/sk Stage 1 Tail: VARICEM™ CEMENT + .15% CFR-3 + 5lbm/sk Kol-Seal + 0.125% Poly-E-Flake. 13.5 ppg, 1.308 cuft/sk. Stage 2 Contingency: HALCEM™ SYSTEM + 5lbm/sk Kol-Seal + 0.125lbm/sk Poly-E-Flake. 12.3 ppg,	Surface	1 every 3 joints through water bearing zones
Production Liner	5435'-12175'	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 minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. WELL PLAN & DIRECTIONAL DRILLING PROGRAM

The proposed well will be drilled in two phases. A pilot hole will be drilled in the first phase, followed by kicking off a horizontal lateral in the existing wellbore in the second phase. The intent of drilling a pilot hole is to obtain open hole log data. The intent of the second phase of the well is to plug back the pilot hole with cement to the kick off point. After plugging back, the plan is to drill a horizontal lateral from the kick off point in the existing wellbore to the proposed bottom hole location.

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Description	Proposed Depth (TVD/MD)	Formation
Vertical Pilot Hole	5588'/5588'	Gallup
Horizontal Lateral TD	5262'/12175'	Gallup

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'-5318'/5635'	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"	5318'/5635'- 5262'/12175'	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

Open Hole:

Triple combo with spectral Gamma TD to surface casing

Cased Hole:

CBL/CCL/GR/VDL will be run as needed for perforating control

Pinon Unit D14-2410 01H
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8. ABNORMAL PRESSURES & HYDROGEN SULFIDE

The anticipated bottom hole pressure is +/- 2495 psi based on a 9.0 ppg at 5332' 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 October 30, 2014. 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: NE/4 NE/4 15 24N 10W 920 FNL 330			Encana Natural Gas				ENG: Sydney Kuyke 7/8/14		
County: San Juan							RIG: Artec 950		
WELL: Pinon Unit D14-2410 01H			WELL SUMMARY				GLE: 6876		
							RKBE: 6892		
MWD	OPEN HOLE		DEPTH			HOLE	CASING	MW	DEVIATION
LWD	LOGGING	FORM	TVD	MD		SIZE	SPECS	MUD TYPE	INFORMATION
			60	60'		30	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	Nacimiento 9 5/8" Csg	0 500	500.00		12 1/4	9 5/8" 36ppf J55 STC TOC Surface with 100% OH Excess: 314 sks of HALCEM™ SYSTEM + 2% CaCl2 + 0.125lbm/sk Poly-E-Flake. Mixed at 15.8 ppg. Yield 1.174 cuft/sk.	Fresh wtr 8.3-10	Vertical <1°
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 Fruitland Coal Pictured Cliffs Ss. Lewis Shale Cliffhouse Ss. Menefee Fn. Point Lookout Ss. Mancos Shale	804 946 1,281 1,610 1,761 2,368 3,126 4,041 4,230		Stage tool @ ~ 1,811	8 3/4	7" 26ppf J55 LTC TOC @ surface (30% OH excess) Stage 1 Total: 730sks If necessary, Stage 2 Total: 175sks Stage 1 Lead: 353 sks HALCEM™ SYSTEM + 0.2% HR-5 + 5lbm/sk Kol- Seal + 0.125lbm/sk Poly-E-Flake. Mixed at 12.3 ppg. Yield 1.948 cuft/sk. Stage 1 Tail: 377 sks VARICEM™ CEMENT + .15% CFR-3 + 5lbm/sk Kol- Seal + 0.125% Poly-E-Flake. Mixed at 13.5 ppg. Yield 1.308 cuft/sk. Stage 2: 175 sks HALCEM™ SYSTEM + 5lbm/sk Kol-Seal + 0.125lbm/sk Poly- E-Flake. Mixed at 12.3 ppg. Yield 1.948 cuft/sk.	Fresh Wtr 8.3-10	Vertical <1°
Surveys every 30' through the curve	Mud logger onsite	KOP Mancos Silt Gallup Fn. 7" Csg	3,500 4,799 5,077 5,318	3,500					
Surveys every stand to TD unless directed otherwise by Geologist	No OH Logs	Horizontal Target TD Base Gallup Pilot Hole TD	5,332 5,262 5,388 5,588	12,175		6 1/8	200' overlap at liner top 6540' Drilled Lateral		Horz Inc/TVD 90.6°deg/5332h TD = 12174.6 MD
MWD Gamma Directional							4 1/2" 11.6ppf SB80 LTC Running external swellable csg packers for isolation of prod string	WBM 8.3-10	

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 Pilot Hole TD, 8 3/4" hole size, run logs then plug back
- 5) Drill to KOP of 3500', 8 3/4 inch holesize
- 6) Start curve at 10deg/100' build rate
- 7) Drill to csg point of 5635' MD
- 8) R&C 7" csg, circ cmt to surface, switch to WBM
- 9) Land at 90 deg, drill lateral to 12175' run 4 1/2 inch liner with external swellable csg packers