Well Pad	Well	Well No.	Lease(s)		
Escrito D30-2408 01H	Escrito D30-2408 01H	1a	NM 54980 & NM 54981		
Escrito I24-2409 01H	Escrito I24-2409 01H	2a	SF-078860		
st Amendment to the Escrit	to I24-2409 Gathering System D 3162.7		, 2014 (OCD Order PLC-379 - BLM serie		
Escrito D30-2408 02H	Escrito D30-2408 02H	3a	SF-078860		
F	Escrito D32-2408 01H	4a	NM-118133		
Escrito D32-2408 01H	Escrito D32-2408 02H	4b	NM-118133		
	Escrito I24A-2409 01H	5a	NM-41650		
	Escrito I24A-2409 02H	5b	NM-41650		
Escrito I24A-2409 01H	Escrito I24A-2409 03H	2b	SF-078860		
	Escrito I24A-2409 04H	5c	NM-41650		
	Escrito I24A-2409 05H	2c	SF-078860		
5	Escrito L30-2408 01H	3b	SF-078860		
Escrito L30-2408 01H	Escrito L30-2408 02H	1b	NM-54981 & NM-54980		
Escrito L32-2408 01H	Escrito L32-2408 01H	4c	NM-118133		
	Escrito M30-2408 01H	1c	NM-54981 & NM-54980		
Escrito M30-2408 01H	Escrito M30-2408 02H	1d	NM-54981 & NM-54980		
Escrito M32-2408 01H	Escrito M32-2408 01H	4d	NM-118133		
	Escrito N19-2408 01H	1e	NM-54981 & NM-54980		
Escrito N19-2408 01H	Escrito N19-2408 02H	1f	NM-54981 & NM 54980		

PMAM1429647700

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



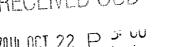
ADMINISTRATIVE APPLICATION CHECKLIST

7	THIS CHECKLIST IS M.	IANDATORY FOR ALL ADMINISTRATIVE WHICH REQUIRE PROCESS			AND REGULATIONS
Appli	ication Acronyms				edication1 - 0// -276
	[DHC-Dow	nhole Commingling] [CTB-Le	ase Comminglin	g] [PLC-Pool/Lease Com	minalina1
	_	[WFX-Waterflood Expansion]	_	Maintenance Expansion]	ment] Fuchna FGAS(45A
	[EOR-Qual	[SWD-Salt Water Disposa lified Enhanced Oil Recovery C	l] [IPI-Injectior ertification] [i Pressure Increase] PPR-Positive Production Re	
[1]	TYPE OF AP	PPLICATION - Check Those W	hich Apply for [A]	•
	[A]	Location - Spacing Unit - Sim NSL NSP	ultaneous Dedica SD	ition	- ESCANTO D32 - 2408 14
	Check	One Only for [B] or [C]		•	-24% /H
	[B]	Commingling - Storage - Mea DHC CTB X		OLS OLM	30-045-355/ - SCC attacken
	[C]	Injection - Disposal - Pressure	Increase - Enhar	nced Oil Recovery	#1
		☐ WFX ☐ PMX ☐	SWD IPI	☐ EOR ☐ PPR	Pog
	[D]	Other: Specify			-Basin manes
[2]	NOTIFICAT	ION ŘEQUIRED TO: - Check	Those Which A	pply, or Does Not Apply	47232
	[A]	X Working, Royalty or Ove	erriding Royalty I	nterest Owners	-Bist 5- Galles
	[B]	Offset Operators, Leaseh	olders or Surface	Owner	-13isti 5-6-114p
	[C]	X Application is One Which	h Requires Publis	shed Legal Notice	
	[D]	X Notification and/or Concurs. Bureau of Land Management - Co	urrent Approval I	by BLM or SLO ds, State Land Office	
	[E]	X For all of the above, Proc	of of Notification	or Publication is Attached,	and/or,
	[F]	☐ Waivers are Attached	· · · · · · · · · · · · · · · · · · ·	ents copies of notification to interespon receiving Return Receipts, cop	
[3]		CURATE AND COMPLETE ATION INDICATED ABOVE		N REQUIRED TO PROC	ESS THE TYPE
	oval is accurate a	TION: I hereby certify that the and complete to the best of my keep the desired information and notificat	nowledge. I also	understand that no action v	
	Note:	: Statement must be completed by an		agerial and/or supervisory capa	city.
	essica Gregg	Signature	ngg	Jessica Gregg	10/14/14
Print	or Type Name	(S)gnature	00	Title	Date
				Jessica.Gregg@end	cana.com

e-mail Address

RECEIVED OCD







October 14, 2014

Transmitted Via Certified Mail

Ms. Jami Bailev New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Mr Dave Evans Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402

Re: First Amendment to NMOCD Order PLC - 379 (3162.7-3)

Escrito 124-2409 Gathering System

San Juan County, New Mexico

Dear Ms. Bailey and Mr. Evans,

Encana Oil & Gas (USA) Inc. (Encana) requests Administrative Approval to tie-in additional wells to the Escrito 124-2409 Gathering System (I24GS), identification number of PLC-379 and 3162.7-3. Encana requests approval to commingle natural gas for the leases and wells listed on Attachment No. 1 which reflects the two (2) wells currently approved for Pool and Lease Commingling, under PLC-379 and 3162.7-3, as well as the sixteen (16) additional wells Encana requests approval to tie into the I24GS. Additionally, Encana requests approval to claim beneficial use at the gas lift injection meter on the well pad, which is depicted for each well pad, on the gas lift schematics presented in Attachment No. 6.

Encana is the Operator of all sixteen (16) wells proposed for interconnection to the I24GS. The I24GS has been installed and will continue to be maintained and operated by Encana. The addition of the sixteen (16) wells requires surface commingling of gas, and in some cases off-lease measurement and sale of produced natural gas, as well as off-lease transportation and sale of oil and condensate. There will not be any commingling of oil or condensate in the pipeline and there is no Indian acreage associated with any of the wells to be added or currently tied into the I24GS. Moreover, as previously stated in the initial application, the I24GS ties into Elm Ridge Gas Pipeline (ERGP) existing pipeline in the S2 of Section 32, Township 24 North, Range 8 West. The interconnection of the wells to the I24GS will be known as the Central Delivery Point (CDP) gas custody transfer, as well as the Point of Royalty Measurement (PRM). A schematic of the interconnection was provided in the initial application and again in this application (Attachment No. 2D). Lastly, for the purposes of requesting approval from the Bureau of Land Management (BLM), Encana requests commingling be reviewed and granted under Category 3 of the BLM's Instructional Memorandum (IM) dated July 3, 2013.

As you are most likely aware, in order to optimally develop horizontal wells, Encana has proceeded with permitting various well pads in the section adjacent to the Project Area (PA) and/or developed acreage. Therefore, in some instances, the well pad surface hole location (SHL) is located off-lease. In these instances, Off-Lease Measurement of natural gas will occur at the well head by a well allocation meter and again at the pipeline tie-in to ERGP. Further, Encana intends to install a gas lift compressor on each well as depicted and described in Attachment No 6. Please note, Encana intends to submit to the BLM a sundry to formally request approval to install the gas lift on the additional sixteen (16) wells proposed for tie-in to the I24GS, which, once approved, will be forwarded onto the New Mexico Oil Conservation Division (NMOCD) for their approval. There will not be any commingling of oil or condensate with naturally produced gas in the pipeline.

If applicable, Off-Lease Measurement, Transportation and Sale of produced oil and condensate will occur at the surface location for the affected well where Encana will install the necessary number of 400-barrel oil storage tanks and water tanks. Generally, produced water will be measured using tank gauges and produced oil will be measured using a strapping table measurement by the associated vendors. Run tickets will be filled out onsite for each load of oil, which will show the tank gauge readings, oil gravity, temperature and BS&W content. Each valve



on the tanks will have seals. Records will be kept that will show when seals are installed and removed. The tank seal information is also recorded on the run tickets, which will accompany the transportation of the oil.

Enclosed please find the following:

- A. Administrative Application Checklist for Pool/Lease Commingling dated October 14, 2014
- B. State of New Mexico Oil Conservation Division Form C-107-B, Amendment to Application for Pool/Lease Commingling (PLC-379 and 3162.7-3) dated October 14, 2014. Attached to and made part of the Application for Pool/Lease Commingling and Off-Lease Measurement please find the following:

Attachment No. 1 (Three Pages): Presents the following information:

1) Wells

2) Leases

3) Pool information

4) Projected gas rate for individual wells

5) Projected gas rate for leases

6) Projected gas percentage in the I24GS for the wells

7) Projected initial gas heating value through ~1st 6 months

8) Projected gas heating value after ~1st 6 months

A projected decline rate for each well is also addressed in Attachment No. 1 in the Explanation Legend.

Attachment No. 2a (2 Pages): Presents a map of the I24GS pipeline, depicting all nine (9) well pads (which represent all eighteen (18) wells) that will tie into the I24GS, which will then tie into ERGP CDP in the S2 of Section 32, Township 24 North, Range 8 West. Presently, two (2) well pads (and two wells) have already been approved for connection to the I24GS and Encana is proposing to connect an additional seven (7) well pads to the I24GS. The I24GS pipeline is approximately 11,460-feet in length, stretching across Bureau of Land Management (BLM) and State lands. Encana received BLM approval for this trunk line on September 30, 2013, and received approval of the state easement for this trunk line on August 30, 2012.

Each well will be equipped with a continuous recording gas allocation meter (or some form of approved alternative measurement) operated and maintained by Encana. Prior to converting any gas measurement from a conventional allocation meter to an alternative measurement method, Encana will seek formal approvals. The allocation procedures, including examples of how the allocation method would be applied for each well are presented on **Attachment No. 5**.

Moreover, Condensate and oil will be separated, stored and sold at the well head surface hole location, which in some instances, may be off-lease. Depending on their availability Encana will enlist the services of High Tech Tools, LLC (mailing address: PO Box 1244 Aztec, NM 87410; phone number: 505-334-2266) or Three Rivers Trucking, Inc. (mailing address: PO Box 2728, Farmington, NM 87499; phone number: 505-632-5300) to transport produced water to Basin Disposal Inc. (address: 300 Legion Road, Aztec, NM 87410; phone number: 505-334-3013). Produced water will be generally measured using tank gauges.

Encana will enlist Western Refining, to transport and purchase crude oil from the off-lease SHL to the Gallup Refinery (location: I-40, Exit 39, Jamestown, NM 87347; Route 3, Box 7, Gallup, NM 87301; phone number: 505-722-3833). Western Refining will provide a strapping table measurement for each oil tank at the facility which will be used to determine the exact volume in each tank. Run tickets will be filled out for each load of oil, onsite, which will show the tank gauge readings, oil gravity, temperature and BS&W content. Each valve on the tanks will have seals. Records will be kept and logged into an internal database that will show when seals are installed and removed. The tank seal information is also recorded on the tickets, which will accompany the transportation of the oil.

Attachment No. 2b (17 Pages): Presents the well dedication acreage for the additional sixteen (16) wells Encana is proposing to tie into the I24GS as depicted on NMOCD Form C-102s. The C-102s and the plat depict

Encana Oil & Gas (USA) Inc.



the horizontal well bore path and producing interval for each of the sixteen (16) wells. Please note that some of these locations have yet to be reviewed with the appropriate mineral and surface owner SHL could change; when and if that occurs Encana will provide notice as to the changes.

Attachment No. 2c Justification (2 Pages): Presents a plat depicting individual well pad pipeline connection paths for all none (9) well pads connecting to the I24GS. However, for the purposes of this application, and in accordance with the BLM's IM dated July 13, 2013, the following discussion will only apply to the proposed addition of the seven (7) well pads (which represent the additional sixteen wells) Encana is requesting be interconnected to the I24GS. The Attachment No. 2c plat contemplates, as an alternative, individual well pad connections versus one (1) gathering system, namely the Escrito I24-2409 Gathering System (I24GS). Also included, is a breakdown of pipeline length and pig launcher and receiver disturbance for each of nine (9) well pads and projected costs for such an undertaking. According to our calculations individual well pad pipeline connections for the seven (7) additional well pads would total approximately sixteen (16) miles in length; and including a 40-foot width for the pipeline right-of-way, the acreage disturbance would be eighty (80) acres. Additionally, Encana estimates that a pig launcher and receiver would be required for the seven (7) individual well pad pipeline connections into Gathering I24GS pipeline which would also cause more surface disturbance. Encana estimates that pig launchers and receivers could potentially be 10-feet by 20-feet for each of the seven (7) individual well pad pipeline connections. Encana estimates that such an undertaking would cost approximately \$5.5 million. Again, the breakdown included in Attachment No. 2c will provide more detail as to how Encana arrived at these conclusions. Currently, Encana's estimated costs for the I24GS are \$3 million which includes the connection of all nine (9) well pads.

Furthermore, all production proposed for commingling derives from the same geologic formation with similar projected gas rates and gas heating values as well as projected decline rates, which are addressed in Attachment No. 1.

In line with Encana's commitment to conduct business ethically, legally, and in a manner that is fiscally, environmentally and socially responsible, it is Encana's position that one (1) gathering system greatly reduces surface disturbance and thus environmental impact; and, is more economically feasible, allowing for potential capitol to be dedicated towards future development projects in the San Juan Basin.

Attachment No. 3 (6 Pages): Presents a leasehold ownership summary for all of the eighteen (18) wells. The royalty interest is Federal. There is no Indian Royalty. The interest ownership reflected for each well is to the best of our knowledge at this time. In the event it is determined that interest ownership differs, an updated Attachment No. 3 will be sent to affected owners, the BLM, and the OCD. As required by the NMOCD all interest owners for the additional sixteen (16) wells that Encana is proposing to tie into the I24GS have been given notice of this application.

Attachment No. 4 (10 pages): Presents a copy of the notice sent to the interest owners for the wells. All notice letters have been mailed certified, return receipt. Also included, is a copy of the legal notice to be published in The Daily Times, Farmington, New Mexico on October 25, 2014 in order to provide public notice to any and all affected interest owners.

Attachment No. 5 (5 Pages): Presents the allocation procedures for the I24GS which includes an example of how the allocation method is applied. Encana proposes that the PRM be at ERGP CDP in the S2 of Section 32, Township 24 North, Range 8 West. Please also note each well proposed for connection to the I24GS will be equipped with a continuous recording gas allocation meter.

Attachment No. 6 (17 Pages): Presents gas lift well pad schematics for the sixteen (16) wells that Encana is requesting to add to the I24GS. Encana requests approval to claim beneficial use at the gas lift injection meter on



the well pads, which is depicted for each well pad, on the gas lift schematics; which also depicts a list of proposed equipment. Encana requests the use of fuel to operate the gas lifts installed for each well.

In conclusion, Encana is requesting approval to tie-in sixteen (16) additional wells to the Escrito I24-2409 Gathering System (I24GS). Where applicable, Encana requests Administrative Approval for Off-Lease Measurement and Sale of natural produced gas and Administrative Approval for Off-Lease Measurement, Sale and Transportation of produced crude oil and condensate. Further, as requested in the initial application we are requesting that the NMOCD order issued for amendments to the I24GS also include a provision that for any future additions to the I24GS only the interest owners in the wells being added need to be notified.

Please feel free to contact me directly at 720-876-3926 with any questions or concerns.

Encana Oil & Gas (USA) Inc.

ussica Gregg

Jessica Gregg Regulatory Analyst

<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240

District II

District III

1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

811 S. First St., Artesia, NM 88210

OIL CONSERVATION DIVISION

State of New Mexico

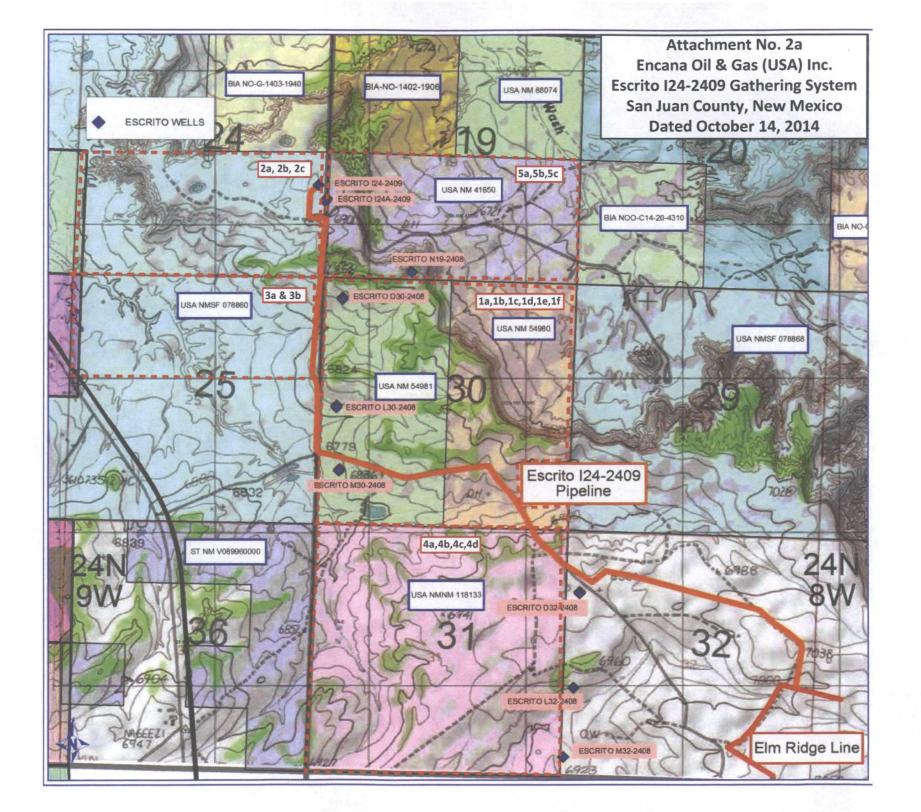
Energy, Minerals and Natural Resources Department

1220 S. St Francis Drive Santa Fe, New Mexico 87505

Form C-107-B Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

	oil and Gas (USA)	COMMINGLING	(DIVERSE	OWNERSHIF)				
		over Colorado 80202						
OPERATOR ADDRESS: 370 17 th Street, Suite 1700, Denver, Colorado 80202 APPLICATION TYPE:								
	o ■ ▼Pool and Lease Cor	mmingling Off-Lease :	Storage and Measu	rement (Only if not Surface	Commingled)			
<u> </u>			storage and wicasu	tement (Omy if not surface	(Commingica)			
LEASE TYPE: Fee	State S Fede		la a a managria da C	Judan No. DLC 270				
Is this an Amendment to existing Order Have the Bureau of Land Management					inalina			
Yes No	(DLW) and State Land	office (SEO) been not	med in writing	or the proposed commi	inging			
(A) POOL COMMINGLING Please attach sheets with the following information								
	Gravities / BTU of	Calculated Gravities /		Calculated Value of	1			
(1) Pool Names and Codes	Non-Commingled	BTU of Commingled		Commingled	Volumes			
	Production	Production		Production				
		Only Gas to Be		Only Gas to Be	5-1500			
Basin Mancos Gas Pool	41 API/1350 BTU	Commingled		Commingled, Value = +/- 3.30 mmbtu	mcfd/well			
(2) Are any wells producing at top allowal	bles? Yes No	I		1 17 5.50 minota	ı			
(3) Has all interest owners been notified b		oposed commingling?	⊠Yes □No.					
(4) Measurement type: Metering [57 0						
(5) Will commingling decrease the value of	of production?	⊠No If "yes", descri	be why commingl	ing should be approved				
	(B) LEAS	SE COMMINGLIN	G					
	` '	s with the following in		_				
(1) Pool Name and Code.								
(2) Is all production from same source of								
(3) Has all interest owners been notified by		posed commingling?	□Yes □N	О				
(4) Measurement type: Metering	Other (Specify)							
								
	(C) POOL and	LEASE COMMIN	GLING	·				
I .	Please attach sheet	s with the following in	formation					
(1) Complete Sections A and E.								
П	OFF-LEASE ST	ORAGE and MEA	SUREMENT					
(-		ets with the following i						
(1) Is all production from same source of	supply? .⊠Yes □N	0						
(2) Include proof of notice to all interest of	wners. See Attachment	No. 4						
(E) AI	DDITIONAL INFO	RMATION (for all	application to	vnes)				
(2) / 12		s with the following in		, ₁ ,				
(1) A schematic diagram of facility, include								
(2) A plat with lease boundaries showing			rs if Federal or St	ate lands are involved. At	tachment No. 2			
(3) Lease Names, Lease and Well Numbe	rs, and API Numbers. See	e Attachment No. 1						
I hereby certify that the information above is	s true and complete to the	best of my knowledge an	d belief.					
\sim . Δ	_							
SIGNATURE: JUSTICA ON	lyy TI	ITLE:Regulatory Anal	yst[DATE:10/14/14				
TYPE OR PRINT NAMEJessica Gregg_			TELEPHO	NE NO.:720-876-392	6			
E-MAIL ADDRESS:lessica.Gregg@encana.com								



<u>Please find attached State of New Mexico Energy Minerals and Natural Resources Department Form C-102 for the following wells:</u>

- Escrito D30-2408 02H
- Escrito D32-2408 01H
- Escrito D32-2408-02H
- Escrito I24A-2409 01H
- Escrito I24A-2409 02H
- Escrito I24A-2409 03H
- Escrito I24A-2409 04H
- Escrito 124A-2409 05H
- Escrito L30-2408 01H
- Escrito L30-2408 02H
- Escrito L32-2408 01H
- Escrito M30-2408 01H
- Escrito M30-2408 02H
- Escrito M32-2408 01H
- Escrito N19-2408 01H
- Escrito N19-2408 02H

DISTRICT 1 1625 N. French Dr., Hobbs, N.H. 55240 Phone: (878) 893-6161 Fax: (578) 393-0720 DISTRICT II 011 S. First St Phone: (676) 748-1283 Fax: (575) 748-9780 DISTRICT III 1000 Rio Brazos Rd., Asteo, N.M. 87410 ns: (506) 334-6178 Fax: (606) 334-8170

1220 S. St. Francis Dr., Santa Fe, RM 57505 Phone: (505) 475-3460 Fax: (505) 476-3462

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	*Pool Code	715 A. M.			
Ari Nutuber		Pool Name			
	97232	BASIN MANCOS GAS			
⁴ Property Code	*Property Name	Well Number			
	ESCRITO D30-24	02H			
OGRID No.	*Operator Name	* Elevation			
282327	ENCANA OIL & GAS (USA) INC.				

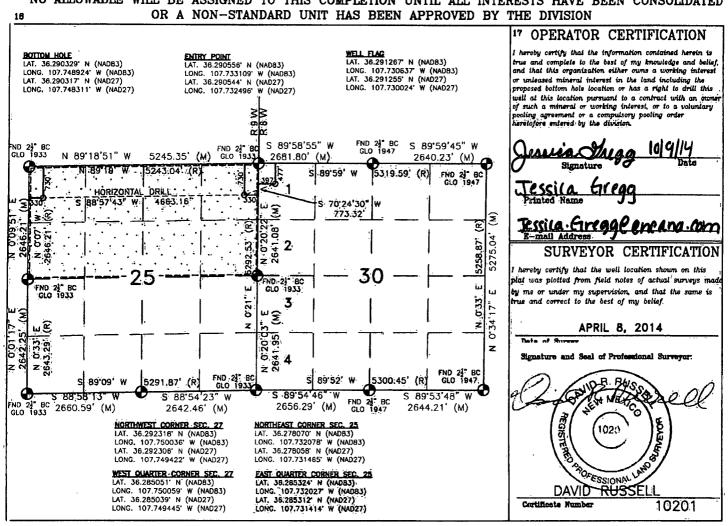
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	30 _	24N	8W	. 1	477'	NORTH	397'	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	Bost/West line	County
D	25	24N	9W		730'	NORTH	330'	WEST	SAN JUAN
Dedicated Acres	8		" Joint or	infill	¹⁴ Consolidation C	ode	¹⁵ Order No.		•
320.00 Acres	- N/2 :	SEC. 25							
	•								

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



DISTRICT I 1625 N. French Dr., Hobbs, N.M. 55240 Phone: (575) 393-6161 Fax: (575) 393-0720 DISTRICT_II 511 S. First St., Artesia, N.M. 58210 Phone: (575) 748-1283 Fax: (575) 748-9780 DISTRICT III 1000 Rio Bresco Rd., Axteo, N.M. 87410 Phone: (505) 384-5178 Fax: (505) 384-5170 DISTRICT IV 1220 S. St. Francis Dr., Senta Fe, NM 57505 Phone: (506) 476-3460 Fax: (506) 476-3462

640.00 ACRES ALL OF SEC. 31

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. Frencis Dr. Santa Fe. NM 87505

□ AMENDED REPORT

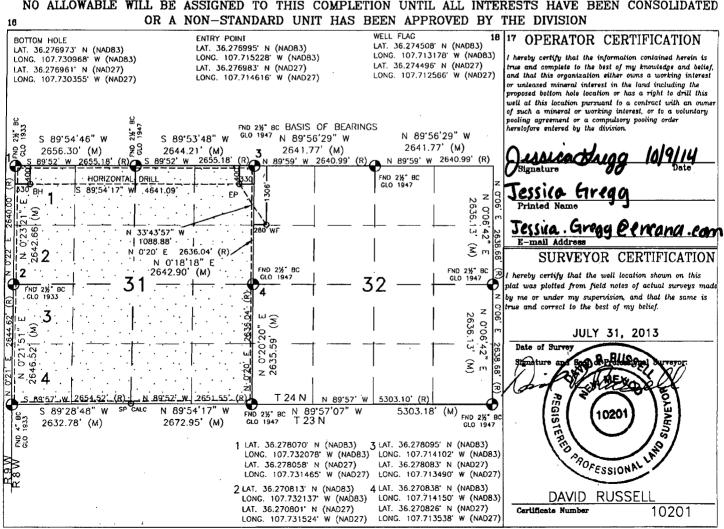
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹API Number	Pool Code 97232	*Pool Name BASIN MANCOS GAS
⁴ Property Code	*Property N	ams Well Number
	ESCRITO D32-	2408 01H
OGRID No.	*Operator N	amo Rovation
282327	ENCANA OIL & GAS (JSA) INC. 6944,9'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	WEST/West line	County
D	32	24N	8W		1306'	NORTH	280*	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	WEST/West line	County
D	31	24N	8W	1	400'	NORTH	330'	WEST	SAN JUAN
18 Dedicated Acre	PROJEC	T AREA	13 Joint or	Infill	14 Consolidation C	ode	18 Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



DISTRICT 1 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-5161 Fax: (575) 393-0720 DISTRICT II 511 S. First St., Artesia, N.M. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 DISTRICT III 1000 Rio Brazos Rd., Astec, N.M. 87410 Phone: (506) 334-5178 Fax: (505) 334-5170 DISTRICT IV

1220 B. St. Francis Dr., Santa Fe, NM 87506 Phone: (505) 476-3480 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-108 Rovised August 1, 2011

Submit one copy to appropriate District Office

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	Pool Code	Pool N	
	97232	BASIN MAN	COS GAS
⁴ Property Code	Pro	Well Number	
	ESCRITO	02H	
OGRID No.	• Оре	* Elevation	
282327	ENCANA OIL &	6944.9'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	lot Idn	Feet from the	North/South line	Feet from the	WEST/West line	County
E	32	24N	ВW		1336'	NORTH	280'	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	WEST/West line	County
E	31	24N	8W	2	1880'	NORTH	330'	WEST	SAN JUAN
18 Dedicated Acres	PROJEC	T AREA	"Joint or	Infill	14 Consolidation C	ode	16 Order No.		
640.00 ACRE	S ALL OF	SEC. 31							

NO ALLOWABLE WILL BE ASS	GNED TO THIS COMPLE	TION UNTIL ALL INTER	RESTS HAVE BEEN CONSOLIDATED
18 OR A NON	-STANDARD UNIT HAS	BEEN APPROVED BY '	THE DIVISION
LAT. 36.272909' N' (NAD83) LAT LONG. 107.731001' W (NAD83) LON LAT. 36.272897' N (NAD27) LAT	RY POINT . 36.272931' N (NADB3) IG. 107.715255' W (NADB3) . 36.272919' N (NAD27) IG. 107.714643' W (NAD27)	WELL FLAG LAT. 36.274426' N (NADB3) LONG. 107.713175' W (NADB3) LAT. 36.274414' N (NAD27) LONG. 107.712563' 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
86. S 89.54,46, M	BASIS OF BEARI 3" W FND 21% BC N 89'56'29" W	NCS	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 gatered by the division.
, 문음 2656.30' (M) 울음 2644.21'		N 89'59' W 2640.99' (R) FND 2N' BC GLO 1947 Z	Signature Date Katie Wegner
5. 48 24 37" W 820.06"	280 WF N 0'20' E 263	006 E	Printed Name Katie.Wegner@encana.com
	N 0 18'18" 2642.90' (FND 2½' BC GLO 1947	(M) 8	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this
© GLO 1933	(X) 4 	32 — Z	by me or under my supervision, and that the same is true and correct to the best of my belief.
6.52 (M)	0.20.20" 0.20.20" 635.59" (1	E 2638 '06'42" 13' (M)	JULY 31, 2013 Date of Survey Signature and Seal of Professional Surveyor:
S 89'28'48" W SP CALC N 89'57' W 265'	1555 (R) T 24 N N 89 57	(R)	THEN MEXICO
S 89'28'48" W SP CALC N 89'54'1' 2672.95' 283	FNU 22 BC	GLO 1947 3 LAT. 36.278095' N (NAD83)	10201 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
R88W	LAT. 36.278058' N (NAD27) LONG. 107.731465' W (NAD2 2 LAT. 36.270813' N (NAD83)	LAT. 36.278083' N (NAD27) 7) LONG. 107.713490' W (NAD27) 4 LAT. 36.270838' N (NAD83)	DAVID RUSSECL
	LONG. 107.732137' W (NAD8: LAT. 36.270801' N (NAD27) LONG. 107.731524' W (NAD2:	LAT. 36.270826' N (NAD27)	Certificate Number 10201

DISTRICT_1 1825 N. French Dr., Hobbs, N.M. 88340 Phone: (878) 393-8161 Fax: (878) 393-0720 DISTRICT II 811 S. Farst St., Artesia, N.M. 88810 Phone: (575) 748-1883 Fax: (575) 748-9780 DISTRICT III 1000 Rio Brazos Rd., Asteo, N.M. 87410 Phone: (806) 334-6176 Pax: (806) 334-8170 DISTRICT IV

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

<u>DISTRICT_IV</u> 1820 S. St. Francis Phone: (505) 476–8	Dr., Santa Po 480 Fax: (50	NM 87505 NS) 475-8468			Santa Fe	, NM	1 87505				AMEN	DED REPORT
¹API	Number		WELL	LOCATIO	ON AND	AC	CREAGE DEI		ON P			
			1.	97232				BAS	IN MAN	ICOS		
⁴ Property C	ode				*Prop	erty P	Name				• 4	ell Number
					ESCRITO I	24A-	-2409					01H
OGRID No	·				*Oper	ator 1	Name				1	Elevation
282327				ENCANA	OIL & G	AS (USA) INC.				1	6892.4'
					10 Surfa	ce	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from t	the	North/South line	Foot fro		East/We		County
	24	24N	9W		1595'		SOUTH	4	7'	EA	ST	SAN JUAN
		i		om Hole			Different Fro					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from t	the	North/South line	Feet fre		East/We		County
Dedicated Acre	19	24N	8W Joint or	[- 7-A111	2086'	1 0	SOUTH	¹⁶ Order	<u>30'</u>	EA	AST	SAN JUAN
	RES S/2 SEC		Joint or	antin	Consolidat	don C	ode	-Order	NO.			
NO ALLOW	ARIE W	II.I. BE A	SSIGNE	ס דר דוו	S COMBI	FTTC	ON UNTIL ALL	INTERI	POTO I	JAVIE D	FFN C	ONSOI IDATEI
THE TELESTIC							EN APPROVED				BBIN C	ONDOMDATE
LONG. 107 LAT. 35.29 LONG. 107 21" BC S 88"19 0 1933 2704.1	6' (M) 50' (R)	NAD27) 0. 24" BC S 8 0. 0 1933	9'54'45" W 22.30' (M) 8' W 4' (R) 1 38'01'07" 623.35' 8" E	25642.64 (R) 2642.64 (R) 2645.17 (M) 2645.17 (M)	C S 89 58 20" WEST HORIZON N 89 59 26"	1 9	5289.24' (M) GLI 287.92' (R)	21- BC (W) 68 0825	sind that this runleased reposed by the series of the seri	received the	m either our rest in the attorn or has suant to a conting interest or his division. Legg Legg	•
	o'08," W	5325:43' (NORTHWEST CO LAT. 36.307099	RNER SEC. 11 T N (NAD83) B65' W (NAD8 N (NAD27) 252' W (NAD2 RNER SEC. 18 N (NAD83) N (NAD83) N (NAD87)	27 BC 1933 26 2 NORTHEAST LAT. 36.307 3) LONG. 107.7 LAT. 36.307 7) LONG. 107.7 SOUTHEAST LAT. 36.292 LONG. 107.7 LAT. 36.292	9'58'55" W 81.80' (M) F CORNER SEC. 1: 107" N (NADB3) 1:3920' W (NAD 1:3920' W (NAD 1:33308' W (NAD 2:7) 1:3308' W (NAD 2:7) 1:379" N (NADB3) 7:3923' W (NAD 567" N (NAD27) 7:3331' W (NAD	83) 27) 19 19 183)	N 89'59'45" W BC 2640.23' (M) Fo	ID 23" BC	PEGISTERAL.	MUNICIPAL NUMBER	٠١	10201

DISTRICT I 1685 M. French Dr., Hobbs, N.M. 85240 Phone: (676) 393-5161 Fax: (676) 393-0720 DISTRICT II 811 S. First St., Artesia, N.M. 86210 De: (875) 748-1883 Fax: (575) 748-9780

1000 Rio Brasco Ed., Asteo, N.M. 87410 Phone: (808) 334-6178 Pag: (808) 334-8170

1880 S. St. Francis Dr., Santa Fe, RM 57505 Phone: (505) 476-8480 Fax: (505) 476-8482

DISTRICT III

DISTRICT IV

State of New Mexico Energy, Minerals & Natural Resources Department

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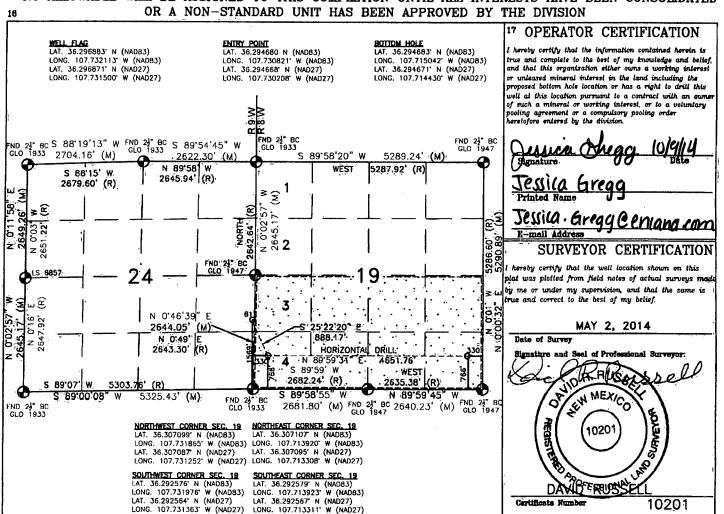
OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Number			Pool Code		Pool Name						
-			97232			BASIN MAN	ICOS				
ode			. •1	Tell Number							
				ESCRITO 124A-	-2409			02H			
».					* Eisvation						
· [ENCANA		6892.4'						
				10 Surface	Location						
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
24	24N	9W		1569'	SOUTH	61'	EAST	SAN JUAN			
	,	11 Bott	om Hole	Location I	f Different Fr	om Surface					
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
19	24N	8W		766'	SOUTH	330'	EAST	SAN JUAN			
		¹⁰ Joint or	infill	M Consolidation C	ode	¹⁶ Order No.					
	Section 24 Section 19 5 PROJECT	Section Township 24 24N Section Township 19 24N	Section Township Range 24 24N 9W 11 Bott Section Township Range 19 24N 8W 5 PROJECT AREA 12 Joint or	Section Township Range Lot Idn 24 24N 9W 11 Bottom Hole Section Township Range Lot Idn 19 24N 8W 5 PROJECT AREA 15 Joint or Infill	97232 ode	97232 ode	97232 BASIN MAN Property Name ESCRITO 24A-2409 Property Name ESCRITO 24A-2409 Property Name ESCRITO 24A-2409 Property Name ENCANA OIL & GAS (USA) INC. Outlier County County	97232 BASIN MANCOS Property Name ESCRITO 24A-2409 Description 24A 2409 ENCANA OIL & GAS (USA) INC. Comparison 24A 24N 2			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



DISTRICT 1 1625 M. French Dr., Hobbe, N.M. 58840 Phone: (575) 303-5161 Fax: (575) 303-0780 DISTRICT II

511 S. First St., Artesia, N.M. 66810 Phone: (575) 748-1285 Fax: (575) 748-9720 DISTRICT III 1000 Rio Breson Rd., Asteo, N.M. 87410 Phone: (506) 834-6178 Fax: (506) 834-8170 DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, KM 87506 Phone: (506) 476-8460 Fax: (505) 476-8468

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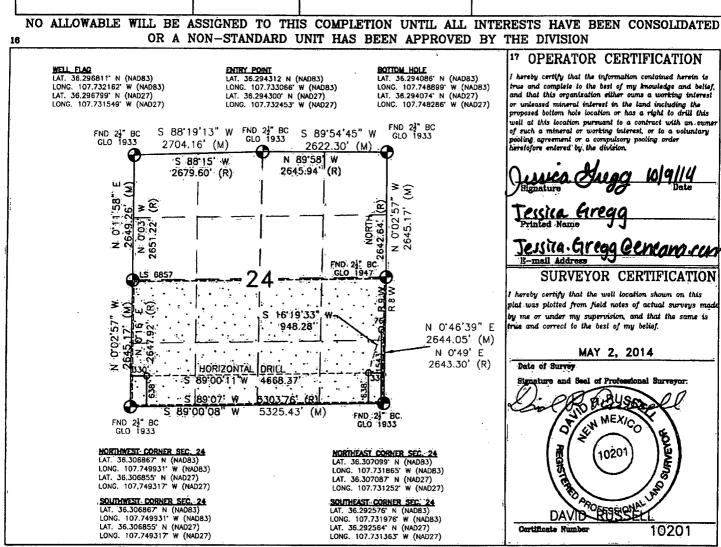
☐ AMENDED REPORT

SURVEYOR

10201

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number Pool Code Pool Name							.0		
				97232			BASIN MAN	ICOS	
⁴ Property C	ode		<u> </u>	• 1	Well Number				
	-				ESCRITO 124A-	-2409			03H
OGRID No	э.		*Operator Name						
282327	282327 ENCANA OIL & GAS (USA) INC.						i	* Elevation 6892.4*	
					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
<u> </u>	24	24N	9W	,	1543'	SOUTH	76'	EAST	SAN JUAN
			11 Bott	om Hole	Location I	f Different Fr	om Surface		
UL or lot no.	Section	Township	Rango	lot idn	Feet from the	North/South line	Post from the	Bost/West Line	County.
M	24	24N	9W		638'	SOUTH	330'	WEST	SAN JUAN
Dedicated Acre 320.00 AC	PROJEC	T AREA	¹⁹ Joint or	infill	¹⁴ Consolidation (Çode	"Order No.		
		71 AKLA . 24 :	- torut oi	innu	Consolidation (Śódė	™Order No.		



DISTRICT | 1625 N. French Dr., Hobbs, N.M. 88240 | Phone: (575) 393-8161 | Fax: (575) 393-0720

DISTRICT II
611 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1285 Fax: (575) 748-9720
DISTRICT III
1000 Rio Braxos Rd., Astec. N.M. 87410

Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Pe, NM 67505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

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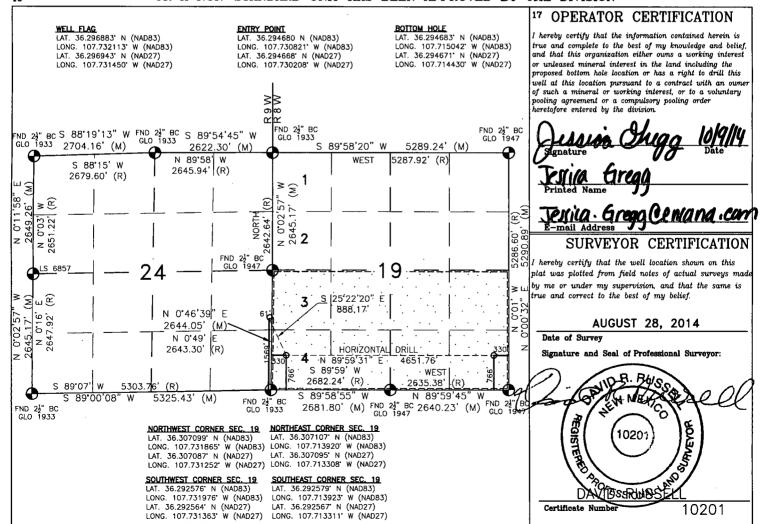
OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API	Number			^a Pool Code				³ Pool Name						
				97232			BASIN MAN	ICOS						
Property Co	ode		•	6	⁶ Well Number									
	Ī				ESCRITO 124A-	-2409			04H					
OGRID No	GRID No. *Operator Name								⁹ Elevation					
282327	282327 ENCANA OIL & GAS (USA) INC.								6892.4'					
					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					
ı	24	24N	9W		1569'	SOUTH	61'	EAST	SAN JUAN					
			11 Botto	om Hole	Location I	f Different Fr	om Surface							
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County					
Р	19	24N	8W		766'	SOUTH	330'	EAST	SAN JUAN					
Dedicated Acre 320.00 AC	B PROJEC RES S/2 SEC		18 Joint or	İnfill	¹⁴ Consolidation C	ode	¹⁸ Order No.							

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



DISTRICT 1 1625 N. French Dr., Hobbs, N.M. 68240 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., Astec. N.M. 87410 Phone: (505) 334-6178 Fax: (506) 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

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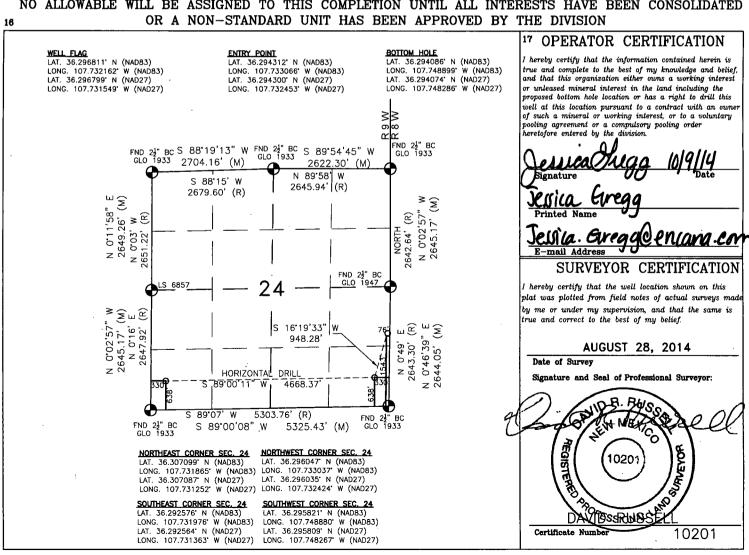
OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

☐ AMENDED REPORT

Santa Fe, NM 87505

¹ API	Number			⁸ Pool Code 97232		⁸ Fool Name BASIN MANCOS						
⁴ Property C	ode		. .		⁶ Well Number							
					ESCRITO 124A-	-2409			05H			
OGRID No					*Operator	Name			^e Elevation			
282327				ENCANA		6892.4'						
					¹⁰ Surface	Location		•				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County			
1	24	24N	9W		1543'	SOUTH	76'	EAST	SAN JUAN			
			11 Botte	om Hole	Location I	f Different Fro	om Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County			
M	24	24N	9W		638'	SOUTH	330'	EAST	SAN JUAN			
Dedicated Acre 320.00 AC	B PROJEC RES S/2 SEC	T AREA	18 Joint or	Infill	¹⁴ Consolidation C	Code	¹⁵ Order No.					

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



DISTRICT | 1635 N. French Dr., Hobbs, M.M. 68240 Phone: (576) 593-5161 Fax: (575) 593-0720

DISTRICT II
511 S. First St., Artesia, N.M. 66210
Phone: (875) 748-1283 Pag: (675) 748-9780
DISTRICT III

1000 Rio Brance Rd., Asteo, N.M. 67410 Phone: (505) 334-6176 Fax: (506) 384-8170

DISTRICT IV
1829 S. St. Francis Dr., Santa Fe, NM 87505
Photos: (508) 478-8480 Fey: (508) 478-848

State of New Mexico
Energy, Minerals & Natural Resources Department

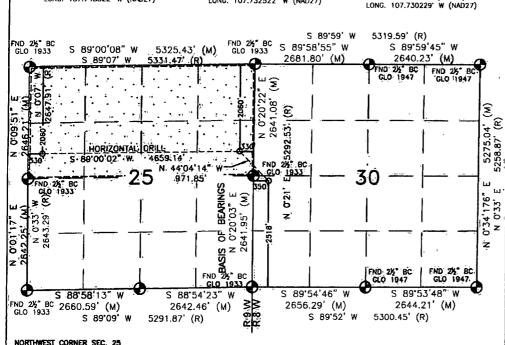
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OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

			WELL	LOCATIO	N AND	ACREAGE D	EDICATION :	PLAT					
1 API	Number			Pool Code	ŀ	*Pool Name BASIN MANCOS							
⁴ Property C	ode	1.7,255		97232	*Property Name *Well Number								
	l				ESCRITO L3	•	•	01H					
OGRID No					*Operate	or Name			* Elevation				
282327				ENCANA	OIL & GAS	(USA) INC.		,	6814.0'				
					10 Surfac	e Location		······································					
L or lot no.	Section	Township	Range	Lot Idn	Feet from the		• Feet from the	Bast/West line	County				
L	. 30	24N	8W]	2518'	SOUTH	350'	WEST	SAN JUAN				
			11 Boti	om Hole	Location	If Different I	rom Surface		,				
L or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South lin	• Feet from the	East/West line	County				
E .	25	24N	9W		2060'	NORTH	330'	WEST	SAN JUAN				
Dedicated Acre 520.00 ACI	B PROJEC	T AREA	"Joint or	Infill "	¹⁴ Consolidation	n Code	¹⁸ Order No.	•	,				
NO ALLOW	ABLE W					TION UNTIL AL BEEN APPROVI			CONSOLIDATE				
LONG. 107.74	77" N (NAD8: 48935" W (NA 48" N (NAD2:	NÓ83) 7)	LONG. 1 LAT. 36.	DINT 288904' N (NAD8 07.733135' W (N 286892' N (NAD2 07.732522' W (NA	3) ADB3) 7)	MFLL FIAG AT. 36.284987* N (NAD8. ONG. 107.730842* W (NA AT. 36.284975* N (NAD2. ONG. 107.730229* W (NA	(i) I haveby or the ball of th	ERATOR CER srtify that the information omplete to the best of m kts organisation either of a mineral interest in the ottom hole location or h	ion contained herein is ny knowledge and beliu nuns a working interes e land including the as a right to drill this				
2½"BC 0 1933 S 89	9°00'08" w	5325.43	FNI	0 2½° 80 .0 1933 S 89	S 89'59' W	5319.59' (R) S 89*59'45" W	of such a pooling agr	s location pursuant to a mineral or working inte reement or a compulsory entered by the division.	rest, or to a voluntary				



NORTHWEST CORNER SEC. 25
LAT. 36.292318' N (NADB3)
LONG. 107.750036' W (NADB3)
LAT. 36.292306' N (NAD27)
LONG. 107.749422' W (NAD27)

SOUTHWEST CORNER SEC. 25.
LAT. 36.277796 N (NAD83)
LONG. 107.750059' W (NAD83)
LAT. 36.2777837' N (NAD27)
LONG. 107.749445' W (NAD27)

NORTHEAST CORNER SEC. 25 LAT. 36.292576' N (NADB3) LONG. 107.731976' W (NADB3) LAT. 36.292564' N (NAD27) LONG. 107.731363' W (NAD27)

SOUTHEAST CORNER SEC. 25 LAT. 36.278070° N (NAO83) LONG. 107.732078' W (NAO83) LAT. 36.278058' N (NAD27) LONG. 107.731465' W (NAD27) Jessica Sugg 10/9/10

Printed Name

JESSICA · GYPGGE LWANG · CON

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys mad by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Bendature and Set of Price Honor Surveyor.

10201

DAVID. RUSSELL

Cortificate Rumber 10201

DISTRICT 1625 M. French Dr., Hobbs, N.M. 55240 Phone: (675) 593-6161 Fax: (675) 593-

811 S. First St., Artesia, N.M. 86810 one: (676) 748-1283 Fax: (676) 748-9720 DISTRICT III 1000 Rio Brazos Rd., Axtec, N.M. 87410 Phone: (506) 334-6178 Fax: (505) 334-6170

DISTRICT II

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, RM 87505 Phone: (505) 476-8460 Fax: (505) 478-8462

State of New Mexico Energy, Minerals & Natural Resources Department

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ ÄPI Number	Pool Code	Pool Name
	97232	BASIN MANCOS
Property Code	⁰ Property Name	* Well Number
	ESCRITO L30-24	08 02H
OGRID No.	*Operator Name	Eovation
282327	ENCANA OIL & GAS (USA	A) INC. 6814.0'

10 Surface Location

					Duriuoo	Document			
UL or lot no.	Section	Township	Renge	Lot Idn	Feet from the	North/South line	Feet from the	Rost/West line	County
L	30	_ 24N	вw		2488'	SOUTH	350'	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
0	30	24N	8W		2400'	NORTH	330'	WEST	SAN JUAN
Dedicated Acre 840.00 AC	F PROJECT		¹⁸ Joint or	Infill	"Consolidation (ode	¹⁶ Order No.		
					ľ				

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

BOTTOM HOLE BOTTOM HOLE LAT. 36.278989° N (NADB3) LONG. 107.722230° W (NADB3) LAT. 36.278977° N (NAD27) LONG. 107.721617° W (NAD27)

ENTRY POINT LAT. 36.285987' N (NAD83) LONG. 107.730903' W (NAD83) LAT. 36.285975' N (NAD27) LONG. 107.730290' W (NAD27) WELL FLAG LAT. 36.284904' N (NADB3) LONG. 107.730843' W (NADB3) LAT. 36.284891' N (NAD27) LONG. 107.730230' W (NAD27)

5319.59' (R) S 89'59' W FND 2½" BC S 89'58'55" W S 89'59'45" W FND 25 BC 2681:80' (M) 2640.23 <u></u> ≅ 292.53' (R) N 0'20'22" 2641.08' (A 3 75.04" 3.87' (R 5292. FND 25 BC GLO 1933 ш N 0'20'03" E 2641:95" (M) 176" 33" 0.34 6 BASIS z FND 25" BC FND 25 BC S 89'54'46" W S 89'53'48' 2644.21' (M) 2656.29' (M) S 89'52' W 5300.45' (R)

NORTHWEST CORNER SEC. 30 LAT. 36.292576" N (NAD83) LONG, 107.731976' W (NAD83) LAT, 36.292564' N (NAD27) LONG: 107.731363' W (NAD27)

SOLITIMEST CORNER: SEC. 30. LAT. 36.278070' N (NAD83)' LONG. 107.732078' W (NAD83) LAT. 36.278058' N (NAD27) LONG. 107.731465' W (NAD27)

NORTHWEST CORNER SEC. 30 LAT. 36.292579' N (NAD83) LONG. 107.713923' W (NAD83) LAT. 36.292567' N (NAD27) LONG. 107.713311' W (NAD27)

SOUTHWEST CORNER SEC. 30 LAT. 36.278095' N (NAD83) LONG. 107.714102' W (NAD83) LAT. 36.276083' N (NAD27) LONG. 107.713490' W (NAD27)

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is 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 posed bottom hale 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

Jessica Gr Printed Name

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys man by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 8, 2014 Date of Survey SURVEYOR MEG STERED POFESSIONAL DAVID RUSSELI

Cartificate Number

10201

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. 68210 Phone: (576) 748-1283 Fax: (576) 748-9720 DISTRICT III 1000 Rio Brazos Rd., Asteo, N.M. 87410 Phone: (506) 334-6178 Fax: (506) 334-8170 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

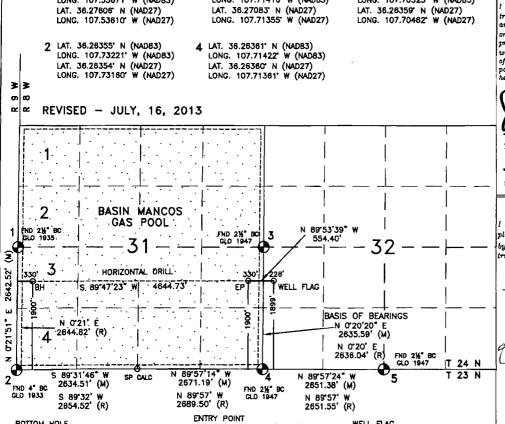
Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

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

☐ AMENDED REPORT

¹ API	Number		<u> </u>	Pool Code			Pool Nam	8			
				97232			BASIN MANCO	S GAS			
⁴ Property C	ods		Property Name Well Num								
					ESCRITO L32	-2408			01H		
OGRID No					*Operator	Name			Elevation		
282327				6937.3'							
-	•		,		10 Surface	Location					
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Bast/West line	County		
L	32	24N	8W		1899'	SOUTH	226'	WEST	SAN JUAN		
			11 Botte	om Hole	Location 1	If Different Fr	om Surface				
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
L	31	24N	8W	3	1900'	SOUTH	330'	WEST	SAN JUAN		
Dedicated Acre	B PROJEC	T AREA	18 Joint or	Infill	14 Consolidation	Code	18 Order No.		,		
640.00 AC	RES - ALL	SEC. 31									
NO ALLOW	ABLE W	ILL BE A	SSIGNEI	TO TH	S COMPLETI	ON UNTIL ALL	INTERESTS I	HAVE BEEN C	ONSOLIDATE		
		OR A N	ION-STA	NDARD 1	UNIT HAS B	EEN APPROVED	BY THE DIV	/ISION			
LONG.	56.27607 N 107.53671° 56.27608 N	W (NADB3)	LONG.	56.27084' N (107.71416' N 56.27083' N (r (New DOS) EU	T. 36.26360° N (NAD83 NG. 107.70523° W (NAD T. 36.26359° N (NAD27	(OO) 1	RATOR CERT			



BOTTOM HOLE LAT. 38.268776 N (NAD83) LONG. 107.731042 W (NAD83) LAT. 36.268783' N (NAD27) LONG. 107.730429 W (NAD27)

LAT. 38.268824" N (NAD83) LONG. 107.715293" W (NAD83) LAT. 36.268812" N (NAD27) LONG. 107.714681" W (NAD27) WELL FLAG LAT. 36.26882' N (NAD83) LONG. 107.71341' W (NAD83) LAT. 36.26881" N (NAD27) LONG. 107.71280" W (NAD27)

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 al 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

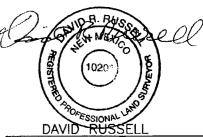
SURVEYOR CERTIFICATION

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 24, 2012

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate Number

10201

DISTRICT_I 1625 N. French Dr., Hobbs, N.M. 55240 Phone: (575) 593-6161 Fax: (575) 593-0720 DISTRICT II

511 S. First St., Artesia, N.M. 55210 Phone: (575) 748-1283 Fax: (575) 748-9780 DISTRICT III

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 1, 2011

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OIL CONSERVATION DIVISION

1000 Ric Brazos Rr Phone: (606) 334—6 DISTRICT IV 1220 S. St. Francis Phone: (806) 476—1	Dr., Santa Fe	6) 334-6170 , NM 87606			Santa Fe,				DED REPORT
1 API	Number		WELL !	LOCATIO	ON AND	ACREAGE DEI	OICATION I		
				97232	ļ.		BASIN MA	NCOS	
⁴ Property C	ode				⁶ Propert	y Name		• 1	Tali Number
					ESCRITO M3	0-2408			01H
OGRID N).	,			*Operato	r Name			Elevation
282327	'			ENCANA		6800.6'			
					10 Surface	e Location		,	
UL or lot no.	Section	Township	Range	lot Idn	Feet from the		Feet from the	East/West line	County
<u>M</u>	30	24N	8W		1162'	SOUTH	454'	WEST	SAN JUAN
			11 Botto	om Hole	Location	If Different From	om Surface	•	
L or lot no.	Section	Township	Range	Lot Idn	Feet from the		Feet from the	East/West line	County
L	25	24N	9W		1885'	SOUTH	330'	WEST	SAN JUAN
	RES 5/2 SEC	ILL BE A		то тні		FION UNTIL ALL BEEN APPROVED			CONSOLIDATE
LONG, 107,7 LAT, 36,2829	E 989' N (NAD8. 48940' W (NA 977' N (NAD2' 48327' W (NA	1083) 7)	LONG. 107 LAT. 36.28	IMT 33228' N (NADR 7.733161' W (N 33216' N (NAD 7.732548' W (N	133) AD83) 27)	WELL FLAG AT. 36.281264' N (NADB3) ONG. 107.730514' W (NADB AT. 36.281252' N (NAD27) ONG. 107.729901' W (NAD2	1 horeby ce frui and ci and that 7) ar unleased proposed be well at this	ERATOR CERT rtify that the information omplete to the best of my als organisation either ou i mineral interest in the sitom hole location or has s location pursuant to a	n contained herein is y knowledge and belia was a working interes land including the s a right to drill this contract with an own
¥. (8)	9*00*08" W 89*07' W	5325.43 . 5331.47	(M) GLC	268 ₩ 3	S 89'59' W 9'58'55" W 11.80'. (M)	5319.59' (R) S 89'59'45" W 2640.23' (M) FND 28" BC FND 28" BC CLO 1947	of such a pooling, agr hisratefore of flignat	mineral or working interesement or a compulsory intered by the division.	est, or to a voluntary
2645.21 N 0:0 2647:9	÷	,	21, E	Z (N)	BC F		Jess Jess	I (a. Gregge	enlara c

FND 2½" BC GLO 1947

5300.45' (R)

S 89'54'46" W

2656.29' (M)

S 89'52' W FND 2½* BC GLO 1947

S 89'53'48" W

2644.21' (M)

ш 0.34'176" N 0'33' E 47'28'20" 1058.68 BEARINGS N 0'20'03' 2641.95' (A Z

NORTHWEST CORNER SEC. 25

FND 2½" BC 2660.59' (M)

\$ 88'58'13

S 89.09, M

LAT. 36.292318' N (NAD83)
LONG. 107.750036' W (NAD83)
LAT. 36.292306' N (NAD27)
LONG. 107.749422' W (NAD27)

SOLITHMEST CORNER SEC. 25 LAT. 36.277796' N (NADB3) LONG. 107.750059' W (NADB3) LAT. 36.277784' N (NAD27) LONG. 107.749445' W (NAD27)

0C0C FND 2% BC GLO 1933 NORTHEAST CORNER SEC: 25 LAT. 36.292576° N (NAD83) LONG. 107.731976° W (NAD83) LAT. 36.292564° N (NAD27) LONG. 107.731363° W (NAD27)

S 88'54'23"

5291.87' (R)

2642.46' (M)

SOUTHEAST CORNER SEC. LAT. 36.278070* N (NAD83) LONG. 107.732078* W (NAD83) LAT. 36.278058* N (NAD27) LONG. 107.731465* W (NAD27)

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys ma by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 1, 2014 Date of Survey LEW MENCO SURVEYOR 318TERED DAVID RUSSONAL LA Certificate Number 10201

DISTRICT 1625 N. Presi ah Dr., Hobba, W.M. S E: (576) 393-6161 Fax: (576) 393-0780

DISTRICT II 511 S. First St., Artesia, N.M. 86210 Phone: (575) 748–1283 Fax: (575) 748–9720 DISTRICT III 1000 Rio Bruxos Rd., Axteo, N.M. 87410 Phone: (808) 334-8175 Fax: (808) 534-6170

DISTRICT IV 1230 S. St. Francis Dr., Senta Fe, NN 87506 Phone: (505) 478-8480 Fax: (505) 478-8462

LAT. 36.277784° N (NAD27) LONG. 107.749445° W (NAD27)

State of New Mexico Energy, Minerals & Natural Resources Department

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

☐ AMENDED REPORT

MEXICO

Certificate Humber

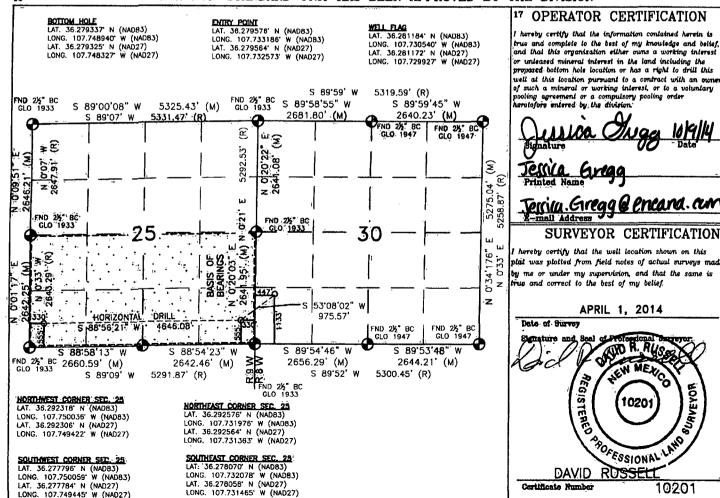
SURVEYOR

10201

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API	Number		Pool Code Pool				Pool Nam	•	
,	_			97232			BASIN MAN	ICOS	
⁴ Property C	ode			•	Well Number				
					ESCRITO M30-	-2408			02H
OGRID No) .				*Operator	Name		Klevation	
282327				ENCANA	OIL & GAS (6800.6'		
					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
М	30	24N	8W		1133'	SOUTH .	447'	WEST	SAN JUAN
			11 Bott	om Hole	Location I	f Different Fr	om Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
М	25	24N	9W		555'	SOUTH	330'	WEST	SAN JUAN
Dedicated Acre 320.00 AC	PROJEC RES 3/2 SEC	T AREA	" Joint or	Infill	³⁴ Consolidation C	ode	¹⁰ Order No.		
			<u> </u>						

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



DISTRICT I 1626 N. French Dr., Hobbs. N.M. 88240 Phone: (676) 393-6161 Fax: (575) 393-0720

DISTRICT II 611 S. Frut St., Artesia, N.M. 96210 Phone: (575) 748-1283 Fax: (575) 748-9720

1000 Rio Brazos Rd., Arteo, N.M. 87410 Phone: (506) 334-6178 Fax: (506) 334-5170 DISTRICT IV 1220 S. St. Francis Dr., Santa Fa, NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	Pool Code	Pool Name
	97232	BASIN MANCOS GAS
⁴ Property Code	⁶ Property Name	• Well Number
	ESCRITO M32-2408	01н
OGRID No.	*Operator Name	Klevation
282327	ENCANA OIL & GAS (USA) INC	6913.5

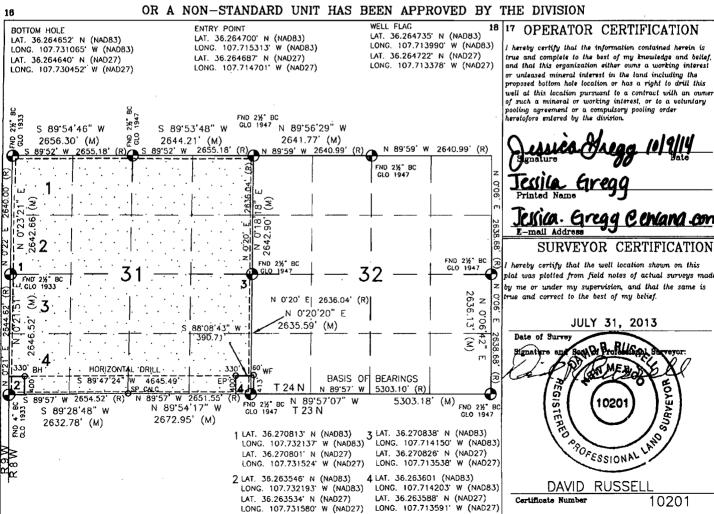
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	WEST/West line	County	
М	32	24N	8W		413'	SOUTH	60'	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	WEST/West line	County
м	31	24N	8W	4	400'	SOUTH	330'	WEST	SAN JUAN
is Dedicated Acres	PROJEC	T AREA	18 Joint or	Infill	¹⁴ Consolidation C	ode	¹⁵ Order No.		
640.00 ACRE	S ALL OF	SEC. 31							

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



District I:
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 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

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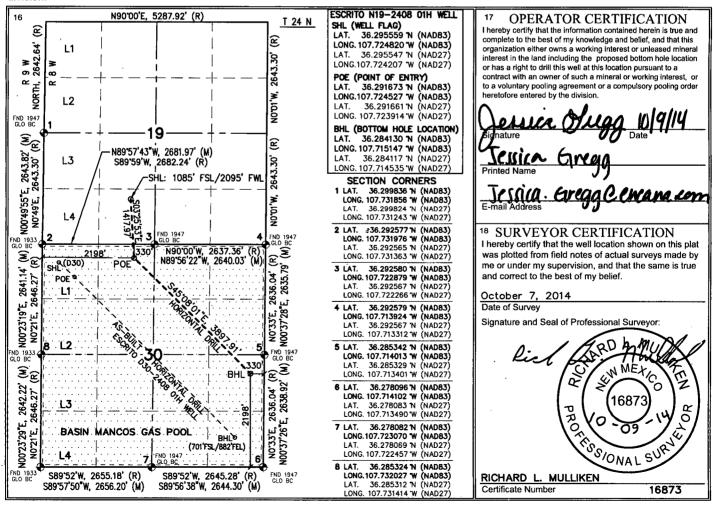
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97232	³ Pool Name BASIN MANCOS GAS		
⁴ Property Code	· •	roperty Name 6 Well Number O N19-2408 O1H		
⁷ OGRID No. 282327	⁸ Operator N ENCANA OIL & GA		⁹ Elevation 6792.4'	

¹⁰ Surface Location

					Surrace	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
N	19	24N	8W		1085	SOUTH	2095	WEST	SAN JUAN
			11 Bc	ttom Ho	e 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
1	30	24N	8W		2198	SOUTH	330	EAST	SAN JUAN
Dedicated Acres PROJECT AREA			13 Joint or Infill	¹⁴ Consolidation Code	15 Order No.				
640 ACRES	S - AI	SECTIO	N 30						

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.



District I
1625 N. French Dr., Hobbs, NM 88240
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640 ACRES - ALL SECTION 30

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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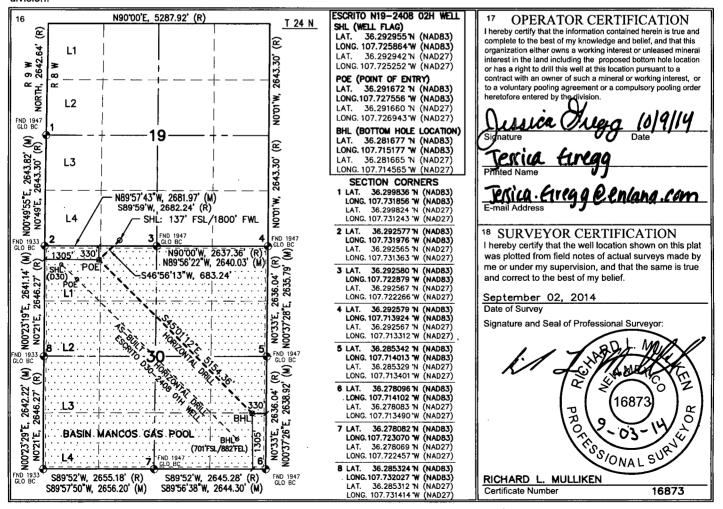
WELL LOCATION AND ACREAGE DEDICATION PLAT

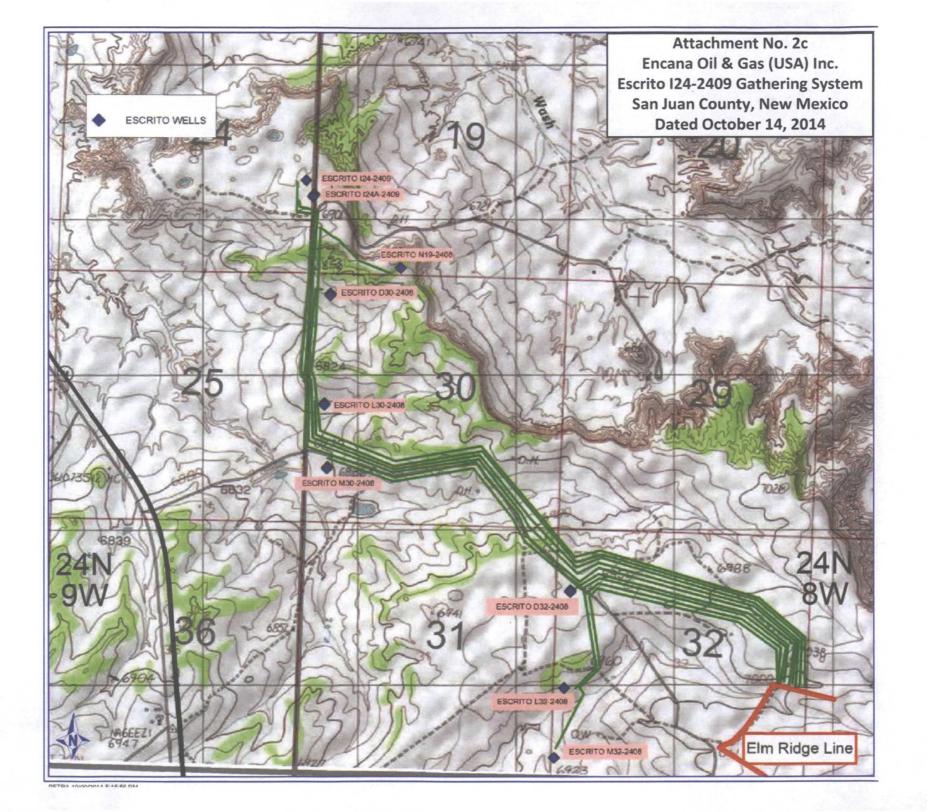
¹ API Number	² Pool Code 97232	³ Pool Name BASIN MANCOS GAS			
⁴ Property Code	· · · · · · · · · · · · · · · · · · ·	Property Name 6 W			
⁷ OGRID No. 282327	⁸ Operator N ENCANA OIL & GA		⁹ Elevation 6923.1'		

¹⁰ Surface Location

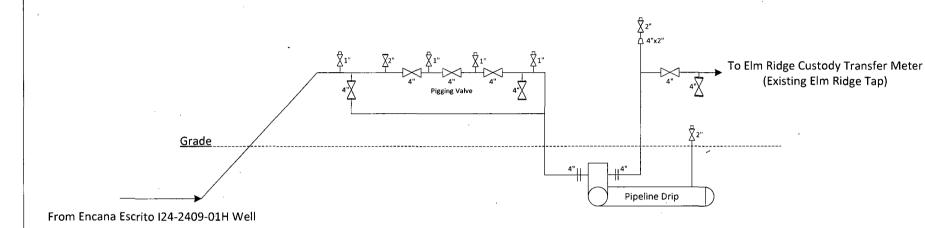
					Suriace	LUCATION			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
N	19	24N	8W		137	SOUTH	1800	WEST	SAN JUAN
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
Р	30	24N	8W		1305	SOUTH	330	EAST	SAN JUAN
12 Dedicated Acres PROJECT AREA		13 Joint or Infill	14 Consolidation Code	¹⁵ Order No.					
		,			1	l			

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.





Well Pad	Estimated Pipeline Length in Feet	Estimated Length in Miles	Projected Width for Pipeline ROW	i ilieturhad i		Cost 55k/mile*4" O.D.)	Pig Launcher/Receiver Disturbance		g Launcher/ eceiver Cost
	nitial Application fo	r the Escrito I24-2	409 Gathering Sys	tem Dated July	11, 2	013			×
Escrito D30-2408 01H	16,287	3.08	40'	14.96	\$	678,625.00	10' x 20'	\$	40,000.00
Escrito 24-2409 01H	18,850	3.57	40'	17.31	\$ 785,416.67		10' x 20'	\$	40,000.00
	35,137,	6.65	পিজন	32.27 acres	\$	1,464;041.67	0.01 acres	\$.	80,000.00
Escrito D32-2408 01H	5,735	1.09	40'	5.27	\$	238,958.33		\$	40,000.00
1st Amendment to the	Escrito I24-2409 Ga	thering System Da	ted October 14, 20	014 (OCD Order	PLC	-379 - BLM ser	ial 3162.7-3)		
Escrito I24A-2409 01H	18.531	3.51	40'	17.02	ŝ	772,125.00	10' x 20'	\$	40,000.00
Escrito L30-2408 01H	13,497	2.56	40'	12.39	s	562,375.00	10' x 20'	\$	40,000.00
Escrito L32-2408 01H	7,938	1.50	40'	7.29	\$	330,750.00	10' x 20'	\$	40,000.00
Escrito M30-2408 01H	12,084	2.29	40'	11.10	\$	503,500.00	10' x 20'	\$	40,000.00
Escrito M32-2408 01H	9,739	1.84	40'	8.94	\$	405,791.67	10' x 20'	\$	40,000.00
Escrito N19-2408 01H	19,487	3.69	40'	17.89	\$	811,958.33	10' x 20'	\$	40,000.00
	87,011	16.48		79.90 acres	\$	3,625,458.33	0.03 acres	\$	280,000.00
GRAND TOTAL	122,148	23.13	0.00	112.17 acres	\$	5,089,500.00	0.04 acres	\$	360,000.00
			,				GRAND TOTAL COST	\$	5,449,500.00
							GRAND TOTAL ACREAGE		112.21



Encana Oil & Gas (USA) Inc. Escrito 124-2409 Gathering System San Juan County, NM

PRELIMINARY

FILENAME

ELM RIDGE - ENCANA ESCRITO 124-2409-01H INTERCONNECT SCHEMATIC.VSD

NOT TO SCALE

DATE

07/2/13

Interest Owner	Escrito D-NWN Sec 30 24 Basin N NM 545	5 D30-2408 01H NW-30-24N-8W IN 8W (640 acres) Iancos Gas Pool 180 & NM 54981	Interest Owner	Escrito 124-2409 01H I-NESE-24-24N-9W S2 Sec 24 24N 9W (320 acres) Bisti-Lower Gallup SF-078860		
Vorking Interest incana Oil & Gas (USA) Inc. 70 17th Street, Suite 1700 Jenver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 41.250%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 40.000%	
ugan Production Corp. 09 E. Murray Dr. armington, New Mexico 87401	50.000%	43.750%	Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	42.255%	
Royalty Interest ISA c/o BLM	0.000%	12.500%	Royalty Interest USA c/o BLM	0.000%	12.500%	
Overriding Royalty Interest Jugan Production Corp. 09 E. Murray Dr. armington, New Mexico 87401	0.000%	2.500%	Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.255%	
OTAL	100.000%	100.000%	DHB Partnership 8144 Walnut Hill Ln Dallas, TX 75231	0.000%	0.500%	
			Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216	0.000%	0.500%	
			Preston Hollow United Methodist Church 6315 Walnut Hill LN Dallas, TX 75231	0.000%	0.375%	
			Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205	0.000%	1.454%	
			Ross W. Christian 8302 Paddock Ln Boerne, TX 78015	0.000%	0.077%	
			Robert LaChappelle 305 Anns Way Blanco, TX 78606	0.000%	0.077%	
			Tom Nissen 395 N Shore PI Lewisville, TX 75077	0.000%	0.008%	
				100.000%	100.000%	

19t Withaudill	Escrito	D30-2408 02H NW-30-24N-8W	Dated October 14, 2014 (OCD Order PLC-	Escrito D32-2408 01H D-NWNW-32-24N-8W			
	N2 Sec 25 Basin N	24N 9W (320 acres) Iancos Gas Pool		Sec 31 2 Basin	24N 8W (640 acres) Mancos Gas Pool		
Interest Owner		F-078860	Interest Owner		NM-118133		
Vorking Interest Encana Oil & Gas (USA) Inc. 170 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 40.000%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 100.000%	<u>Net</u> 87.500%		
Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	42.255%	Royalty Interest		40 5000		
Royalty Interest JSA c/o BLM	0.000%	12.500%	USA c/o BLM	0.000%	12.500%		
Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.255%	Overriding Royalty Interest None	0.000%	0.000%		
DHB Partnership 1144 Walnut Hill Ln Dallas, TX 75231	0.000%	0.500%					
Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216	0.000%	0.500%	TOTAL	100.000%	100.000%		
Preston Hollow United Methodist Church 3315 Walnut Hill LN Dallas, TX 75231	0.000%	0.375%					
Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205	0.000%	1.454%					
Ross W. Christian 8302 Paddock En Boerne, TX 78015	0.000%	0.077%					
Robert LaChappelle 305 Anns Way Blanco, TX 78606	0.000%	0.077%					
Tom Nissen 395 N Shore PI Lewisville, TX 75077	0.000%	0.008%					
TOTAL	100.000%	100.000%					
<u>Inter</u> est Owner	D-NWI Sec 31 24 Basin M	o D32-2408 02H NW-32-24N-8W 4N 8W (640 acres) Mancos Gas Pool MM-118133	Interest Owner	Escrito I24A-2409 0 I-NESE-24-24N-9W S2 Sec 19 24N 8W (320 Basin Mancos Gas Pt NM-41650			
Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 100.000%	<u>Net</u> 87.500%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50,000%	<u>Net</u> 41.250%		
Royalty Interest JSA c/o BLM	0.000%	12.500%	Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	43.750%		
·	0.000	.2.55070	Royalty Interest USA c/o BLM	0.000%	12.500%		
<u>Overriding Royalty Interest</u> None	0.000%	0.000%	Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.500%		
			* Full title unavailable ORRI estimated	÷			
TOTAL	100.000%	100.000%	TOTAL	100.000%	100.000%		

Escrito 124A-2409 02H I-NESE-24-24N-9W S2 Sec 19 24N 8W (320 acres) Basin Mancos Gas Pool

Escrito 124A-2409 03H I-NESE-24-24N-9W S2 Sec 24 24N 9W (320 acres) Basin Mancos Gas Pool

Interest Owner		NM-41650	Interest Owner	SF-078860		
Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 41.250%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 40.0000%	
Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	43.750%	Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	42.2551%	
Royalty Interest USA do BLM	0.000%	12.500%	Royalty Interest USA c/o BLM	0.000%	12.5000%	
Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.500%	Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.2551%	
TOTAL	100.000%	100.000%	DHB Partnership 8144 Wainut Hill Ln `Dallas, TX 75231	0.000%	0.5000%	
			Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216	0.000%	0.5000%	
			Preston Hollow United Methodist Church 6315 Walnut Hill LN Dallas, TX 75231	0.000%	0.3750%	
			Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205	0.000%	1.4534%	
			Ross W. Christian 8302 Paddock Ln Boerne, TX 78015	0.000%	0.0767%	
			Robert LaChappelle 305 Anns Way Blanco, TX 78606	0.000%	0.0767%	
			Tom Nissen	0.000%	0.0081%	

395 N Shore PI Lewisville, TX 75077

100.000%

100.0000%

TOTAL

Escrito I24A-2409 04H I-NESE-24-24N-9W S2 Sec 19 24N 8W (320 acres) Basin Mancos Gas Pool

Escrito I24A-2409 05H I-NESE-24-24N-9W S2 Sec 24 24N 9W (320 acres) Basin Mancos Gas Pool

Interest Owner	Basin	Mancos Gas Pool NM-41650	Interest Owner	Basin Mancos Gas Pool SF-078860			
Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	Net 41.250%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 40.0000%		
Dugan.Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	43.750%	Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	42.2551%		
Royalty Interest USA c/o BLM	0.000%	12.500%	Royalty Interest USA c/o BLM	0.000%	12.5000%		
Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.500%	Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.2551%		
* Full title unavailable ORRI estimated							
TOTAL	100.000%	100.000%	DHB Partnership 8144 Walnut Hill Ln Dallas, TX 75231	0.000%	0.5000%		
			Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216	0.000%	0.5000%		
			Preston Hollow United Methodist Church 6315 Walnut Hill LN Dallas, TX 75231	0.000%	0.3750%		
			Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205	0.000%	1.4534%		
			Ross W. Christian 8302 Paddock Ln Boerne, TX 78015	0.000%	0.0767%		
			Robert LaChappelle 305 Anns Way Blanco, TX 78606	0.000%	0.0767%		
			Tom Nissen 395 N Shore PI Lewisville, TX 75077	0.000%	0.0081%		
			TOTAL	100.000%	100.000%		

Escrito L30-2408 01H L-NWSW-30-24N-8W N2 Sec 25 24N 9W (320 acres) Basin Mancos Gas Pool Escrito L30-2408 02H L-NWSW-30-24N-8W Sec 30 24N 8W (640 acres) Basin Mancos Gas Pool

	Basin Mancos Gas Pool			Basin Mancos Gas Pool	
Interest Owner		SF-078860	Interest Owner		NM-54981 &
Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 40.000%	Working Interest Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	<u>Gross</u> 50.000%	<u>Net</u> 41.250%
Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	42.255%	Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	50.000%	43.750%
Royalty Interest USA c/o BLM	0.000%	12.500%	Royalty Interest USA c/o BLM	0.000%	12.500%
Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.255%	Overriding Royalty Interest Dugan Production Corp. 709 E. Murray Dr. Farmington, New Mexico 87401	0.000%	2.500%
DHB Partnership 8144 Walnut Hill Ln Dallas, TX 75231	0.000%	0.500%	TOTAL	100.000%	100.000%
Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216	0.000%	0.500%			
Preston Hollow United Methodist Church 6315 Walnut Hill LN Dallas, TX 75231	0.000%	0.375%			
Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205	0.000%	1.454%	·		
Ross W. Christian 8302 Paddock Ln Boerne, TX 78015	0.000%	0.077%			
Robert LaChappelle 305 Anns Way Blanco, TX 78606	0.000%	0.077%			
Tom Nissen 395 N Shore Pl Lewisville, TX 75077	0.000%	0.008%			
	100.000%	100.000%			

Escrito L32-2408 01H L-NWSW-32-24N-8W Sec 31 24N 8W (640 acres) Basin Mancos Gas Pool Escrito M30-2408 01H M-SWSW-30-24N-8W S2 Sec 30 24N 8W (320 acres) Basin Mancos Gas Pool

	Basin Mancos Gas Pool			Basin Mancos Gas Pool	
Interest Owner		NM-118133	Interest Owner		NM-54981_&
Working Interest	Gross	<u>Net</u>	Working Interest	<u>Gross</u>	Net
Encana Oil & Gas (USA) Inc.	100.000%	87.500%	Encana Oil & Gas (USA) Inc.	50.000%	41.250%
370 17th Street, Suite 1700		•	370 17th Street, Suite 1700		
Denver, CO 80202			Denver, CO 80202		
			Dugan Production Corp.	50.000%	43.750%
			709 E. Murray Dr.		
Royalty Interest			Farmington, New Mexico 87401		
USA c/o BLM	0.000%	12.500%	•		
			Royalty Interest		
			USA c/o BLM	0.000%	12.500%
Overriding Royalty Interest			Overriding Royalty Interest		
None	0.000%	0.000%	Dugan Production Corp.	0.000%	2.500%
			709 E. Murray Dr.		
			Farmington, New Mexico 87401		
TOTAL	100.000%	100.000%	TOTAL	100.000%	100.000%
		rito M30-2408 02H		Escrito M32-2408 01H	
		SWSW-30-24N-8W			VSW-32-24N-8W
	S2 Sec 30 24N 8W (320 acres)			Sec 31 24N 8W (640 acres)	
Into no et O	Bas	in Mancos Gas Pool		Basin Mancos Gas Pool	
Interest Owner Working Interest	Cross	NM-54981 &	<u>Interest Owner</u>		NM-118133
Encana Oil & Gas (USA) Inc.	<u>Gross</u> 50.000%	<u>Net</u> 41,250%	Working Interest	Gross 100.000%	<u>Net</u>
370 17th Street, Suite 1700	30,000%	41.250%	Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700	. 100.000%	87.500%
Denver, CO 80202			Denver, CO 80202		
201101; 00 00202	•		Deliver, 00 00202		
Dugan Production Corp.	50.000%	43.750%			
709 E. Murray Dr.					
Farmington, New Mexico 87401			Royalty Interest		
			USA c/o BLM	0.000%	12.500%
Royalty Interest					
. USA c/o BLM	0.000%	12.500%			
Overriding Royalty Interest			Overriding Royalty Interest		
Dugan Production Corp.	0.000%	2.500%	None	0.000%	0.000%
709 E. Murray Dr.	0.00070	2.500 /6	None	0,000%	0.000%
Farmington, New Mexico 87401					
TOTAL	100.000%	100.000%	TOTAL	100.000%	100.000%
	Fed	rito N19-2408 01H		Ecori	to N19-2408 02H
	N-SESW-19-24N-8W Sec 30 24N 8W (640 acres) Basin Mancos Gas Pool			N-SESW-19-240-8W Sec 30 24N 8W (640 acres) Basin Mancos Gas Pool	
Interest Owner	NM-54981 &		Interest Owner	0	
Working Interest	Gross	Net	Working Interest	Gross	Net
Encana Oil & Gas (USA) Inc.	50.000%	41.250%	Encana Oil & Gas (USA) Inc.	50.000%	41.250%
370 17th Street, Suite 1700			370 17th Street, Suite 1700		
Denver, CO 80202			Denver, CO 80202		
Dugan Production Corp.	50.000%	43.750%	Dugan Production Corp.	50.000%	43.750%
709 E. Murray Dr.	30.00070	43.730 %	709 E. Murray Dr.	30.00070	45.750%
Farmington, New Mexico 87401			Farmington, New Mexico 87401		
g,			, amington, 1101 monto 01 401		
Royalty Interest			Royalty Interest		
USA c/o BLM	0.000%	12.500%	USA c/o BLM	0.000%	12.500%
		i			
Overriding Royalty Interest			Overriding Royalty Interest		
Dugan Production Corp.	0.000%	2.500%	Dugan Production Corp.	0.000%	2.500%
709 E. Murray Dr.			709 E. Murray Dr.		
Farmington, New Mexico 87401			Farmington, New Mexico 87401		
TOTAL	100.000%	100.000%	TOTAL	100.000%	100.000%
IVIAL	100.00076	100,000 70	TOTAL	100.000%	100.000%

As evidence that all interest ownership parties in the subject wells have been given notice of Encana's application, attached please find:

- 1) The Leasehold Interest Owner's Address List for the wells tying into the Escrito I24-2409 Gathering System.
- 2) Copy of Encana's letter, dated September 10, 2014, used to send copies of the subject application to the leasehold interest owners for the wells connecting to the Escrito I24-2409 Gathering System. The letters were transmitted via certified mail/return receipt.
- 3) Copy of Encana's letter to The Daily Times, requesting a legal ad run October 25, 2014 in order to provide effective notice to interest owners of Lease NM 41650. Additionally, a copy of the ad as it will run on October 25, 2014.
- 4) All royalty interest is BLM. The application to the OCD and BLM were transmitted via certified mail/return receipt.

Attachment No. 4 Encana Oil & Gas (USA) Inc. Escrito 124-2409 Gathering System San Juan County, NM Amendment Dated October 14, 2014

Working Interest Owners

Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202

Dugan Production Corp. 709 E. Murray Drive Farmington, NM 87401

Royalty Interest

United States of America Bureau of Land Management Farmington Field Office 6251 College Blvd., Suite A Farmington, NM 87402

Overriding Royalty Interest

Caerus Land and Royalty LLC 600 17th Street, Suite 1600N Denver, CO 80202

Dugan Production Corp. 709 E. Murray Drive Farmington, NM 87401

DHB Partnership 8144 Walnut Hill Ln Dallas, TX 75231

Ben Patterson R.I., Ltd. 613 NW Loop 410 Ste 680 San Antonio, TX 78216

Preston Hollow United Methodist Church 6315 Walnut Hill LN Dallas, TX 75231

Overriding Royalty Interest (cont.)

Del-Phoenix Corporation 800 Navarro St Ste 210 San Antonio, TX 78205

Ross W. Christian

Attachment No. 4 Encana Oil & Gas (USA) Inc. Escrito I24-2409 Gathering System San Juan County, NM Amendment Dated October 14, 2014

8302 Paddock Ln Boerne, TX 78015

Robert LaChappelle 305 Anns Way Blanco, TX 78606

Tom Nissen 395 N Shore Pl Lewisville, TX 75077



September 10, 2014

Example See Attached Addressee List

Re: 1st Amendment to the Escrito 124-2409 Gathering System

Add Wells to Gathering System and Off-Lease Measurement (if applicable)

San Juan County, New Mexico

Dear Interest Owner:

Encana Oil & Gas (USA) Inc.'s (Encana) is seeking administrative approval from the New Mexico Oil Conservation Division (NMOCD) to add additional wells to Encana's Escrito 124-2409 Gathering System (124GS) which was originally approved by the NMOCD on August 14, 2013 by Order PLC-379. The 124GS is operated by Encana, and the addition of wells will require surface commingling of gas, and in some cases off-lease measurement and sale of produced natural gas, as well as off-lease transportation and sale of oil and condensate. All of the additional wells proposed to tie into the 124GS will be operated by Encana. Encana has applied for the necessary rights-of-way to install, operate and maintain the 124GS.

Off-Lease Measurement and Sale of produced natural gas, as well as Off-Lease Transportation and Sale of crude oil and condensate, may also be applicable for some of the additional proposed wells tying into the 124GS. If applicable, Off-Lease Measurement of natural gas will occur at the well head by a well allocation meter and again at the pipeline tie-in to the Elm Ridge Gas Pipeline central delivery point, gas custody transfer meter.

The wells will be equipped with individual gas measurement equipment for allocation purposes and will benefit from central compression which should keep wellhead operating pressure as low as possible. There will not be any downhole commingling of oil or condensate with any of the proposed wells.

If applicable, Off-Lease Measurement, Transportation and Sale of produced oil and condensate will occur at the surface location for the affected well where Encana will install the necessary number of 400-barrel oil storage tanks and water tanks. A gathering company will purchase and transport the product to refining. A strapping table measurement for each oil tank will determine the volume in each tank with run tickets to be filled out at the surface location for each load. Tank seal information will also be recorded to accompany transport.

This matter does not require any action on your part. Current NMOCD Regulations require that all affected interest owners receive notice of Off-Lease Measurement, Transportation and Sale, and receive notice of proposed future additions to the I24GS (those in the existing system and those being added). Included in Encana's Gathering System application is a request that for future additions to the I24GS, only the interest owners in the wells to be added will require notification provided that the proposed additions do not adversely affect the existing wells in the I24GS. This will greatly simplify adding wells to the I24GS. Should you have any questions, concerns or need additional information please contact me at your earliest convenience at skylar fast@encana.com.



Should you have any objections to our application, please contact the undersigned; you should also contact the NMOCD directly with your objections within twenty (20) days from the date the NMOCD receives our application. The mailing address for the NMOCD is 1220 St. Francis Drive, Santa Fe, New Mexico 87505. We would appreciate a copy of your objection.

Yours Truly, Encana Oil & Gas (USA) Inc.

Skylar Fast

Land Negotiator - San Juan Basin

720-876-3881

Skylar.Fast@encana.com

Enc:

■ Complete items 1, 2, and 3. Also complete	COMPLETE THIS SECTION ON DELIVERY	
	A. Signature	
item 4 if Restricted Delivery is desired. Print your name and address on the reverse	X GAdd	
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of D	
1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	
Tom Nissen		
395 N Shore Pl		
Lewisville, TX 75077	<u> </u>	
	3. Septice Type ☐ Certified Mail® ☐ Friority Mail Express™ ☐ Registered ☐ Return Receipt for Merch ☐ Insured Mail ☐ Collect on Delivery	
O. Addah Marah	4. Restricted Delivery? (Extra Fee) ☐ Yes	
2. Article Number (Transfer from service label) 7013 2250	0000 6498 4834	
PS Form 3811, July 2013 Domestic Re	tum Receipt	
CENTED SOUTH FOR THE OFFICE	COMPLETE: THIS SECTION ON DELIVERY	
SENDER: COMPLETE THIS SECTION	A. Signature	
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United Methodist Church	1	
6315 Walnut Hill LN		
Dallas, TX 75231	3. Service Type	
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(Transfer from service label) PS Form 3811, July 2013 Domestic Reservice R	Insured Mail Collect on Delivery	ent dress Delive

PS Form 3811, July 2013

Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. 	A. Signature	
 Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits. 	B. Received by (Printed Name) C. Date of Delivery	
Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
DHB Partnership 8144 Walnut Hill Ln		
Dallas, TX 75231	3. Septice Type ☐ Certified Mail® ☐ Priority Mail Express™ ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ Collect on Delivery	
	4. Restricted Delivery? (Extra Fee)	
2. Article Number 7013 2251 (Transfer from service label)	0 0000 6498 4865	
PS Form 3811, July 2013 Domestic Retu	urn Receipt	
1	<u></u>	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete	A. Signature	
item 4 if Restricted Delivery is desired. Print your name and address on the reverse	X Agent	
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery	
Article Addressed to:	D. Is delivery address different from item 1?	
Del-Phoenix Corporation		
800 Navarro St Ste 210		
San Antonio, TX 78205		
	3. Service Type ☐ Certified Mail® ☐ Priority Mail Express™ ☐ Registered ☐ Return Receipt for Merchandise	
	☐ Insured Mall ☐ Collect on Delivery 4. Restricted Delivery? (Extra Fee) ☐ Yes	
2. Article Number 7013 225	0 0000 6498 4872	
PS Form 3811, July 2013 Domestic Ret	urn Receipt	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete	A. Signature	
item 4 if Restricted Delivery is desired. Print your name and address on the reverse	X Agent Addressee	
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery	•
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
Dugan Production Corp.		
709 E. Murrary Dr.		
Farmington, NM 87401		
L	3. Service Type Signature Certified Mail® Priority Mail Express®	
	☐ Certified Mail® ☐ Priority Mail Express®	
	☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ Collect on Delivery	
	☐ Registered ☐ Return Receipt for Merchandise	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELI	VERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X B. Received by (Printed Name) D. Is delivery address different from item	_
Ross W. Christian 8302 Paddock Ln Boerne, TX 78015	If YES, enter delivery address below	r. □ No
	3. Service Type Discription Mail* Registered Priority Mail I Return Receir Insured Mail Collect on Dot 4. Restricted Delivery? (Extra Fee)	ipt for Merchandise
2. Article Number 7013 225	0 0000 6498 4902	
PS Form 3811, July 2013 Domestic Ret	urn Receipt	_
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	COMPLETE THIS SECTION ON DEL A. Signature	☐ Agent ☐ Addressee
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Robert LaChappelle	COMPLETE THIS SECTION ON DEL	☐ Agent ☐ Addressee C. Date of Delivery m 1? ☐ Yes
 SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: 	A. Signature X B. Received by (Printed Name) D. Is delivery address different from iter if YES, enter delivery address belo	☐ Agent ☐ Addressee ☐ C. Date of Delivery m 1? ☐ Yes
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Robert LaChappelle 305 Anns Way	A. Signature X B. Received by (Printed Name) D. Is delivery address different from iter if YES, enter delivery address below the service Type Certified Mail Cipriority Mail	☐ Agent☐ Addressee☐ Addressee☐ C. Date of Delivery☐ The Second of the S
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Robert LaChappelle 305 Anns Way	A. Signature X B. Received by (Printed Name) D. Is delivery address different from iter if YES, enter delivery address below the control of the control o	☐ Agent☐ Addressee☐ C. Date of Delivery☐ The Second of Delivery☐ The Second of Delivery☐ Addressee☐ No Second of Delivery☐ No Second of Delivery☐ Addressee☐ Agent For Merchandise



October 16, 2014

Transmitted Via Email: legals@daily-times.com

Attention: Legal Clerk
The Daily Times
201 N. Allen
Farmington, New Mexico 87401

Re:

Legal Ad Placement Request

OCTOBER 25, 2014

Escrito I24-2409 Gathering System San Juan County, New Mexico

Ladies and Gentlemen:

Encana Oil & Gas (USA) Inc. (Encana) respectfully requests The Daily Times place the following notice in the Legal Ads section for the October 25, 2014 publication. Once the ad has run, please send Affidavit of Publication to the undersigned.

Encana oil & Gas (USA) Inc. (Encana) is seeking administrative approval from the New Mexico Oil Conservation Division (NMOCD) and the Bureau of Land Management (BLM) for an amendment to the Escrito 124-2409 Gathering System (BLM 3162.7-3 and OCD PLC-379). Encana is requesting the addition of sixteen (16) wells to the previously approved Escrito 124-2409 Gathering System, which will require surface commingling. Said application also requests administrative approval Off-Lease Measurement and sale of naturally produced gas and in some instances Off-Lease Transportation and Sale of oil and condensate for various wells operated by Encana in San Juan County, New Mexico. The Escrito 124-2409 Gathering System interconnects with Elm Ridge Gas Pipeline in the S2 of Section 32, Township 24 North, Range 8 West, which will be known as the Central Delivery Point (CDP). At this point in time, Encana is unable to confirm with absolute certainty interest ownership in wells that will produce from the following Project Area (PA): S2 of Section 19, Township 24N, Range 8W (Federal Lease NM 41650). Encana is currently in the process of ordering title opinions for said PAs. There will not be any commingling of oil or condensate with natural gas in the pipeline. The project areas described above will be completed in the Basin Mancos Gas Pool (Order No. 97232).

Any person holding an interest in Federal Leases NM 41650 may contact Encana for additional information and details (Attn: Skylar Fast, 720-876-3881, 370 17th Street, Suite 1700, Denver, CO 80202; Skylar.Fast@encana.com). Any objection or request for a formal hearing should be filed in writing with the NMOCD's Santa Fe Office (1220 South St. Francis Drive, Santa Fe, NM 87505) within 20 days from the date of this publication. In the absence of objections, Encana is requesting that the NMOCD approve the amendment to the application administratively.

Encana Oil & Gas (USA) Inc.

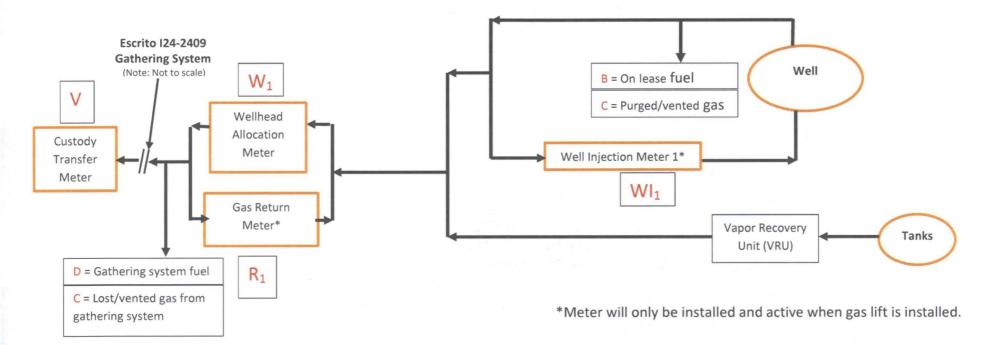
Junica Fregg

Jessica Gregg Regulatory Analyst

Encana Oil & Gas (USA) Inc., acting by and through its authorized agent, Encana Services Company Ltd.

Attachment No. 5 Encana Oil & Gas (USA) Inc. Escrito I24-2409 Gathering System San Juan County, New Mexico

Gas Measurement Allocation Procedure for Single Well Pads



Base Data:

V = Gas Volume (MCF) from Custody Transfer Meter during allocation period (Elm Ridge Gas Pipeline)

R = Gas Volume (MCF) from Gas Return Meter (Encana)*

W₁ = Gas Volume (MCF) from Wellhead Allocation Meter at individual wells during allocation period. (Encana)

WI₁ = Gas Volume (MCF) from Well Injection Meter at individual wells during allocation period. (Encana)*

Y = Heating Value (BTU/scf) from Custody Transfer Meter during allocation period (Elm Ridge Gas Pipeline)

Z = Heating Value (BTU/scf) from individual Wellhead Allocation Meter and Well Injection Meter. (Encana)

Allocation Period is typically a calendar month and will be the same for all individual wells.

Attachment No. 5 Encana Oil & Gas (USA) Inc. Escrito I24-2409 Gathering System San Juan County, New Mexico

Individual Well Gas Production = A + B + C + D + E

A = Allocated Gas production off lease, MCF: $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]*(V)$

B = On lease fuel usage, MCF. Determined from equipment specification and operating conditions. This includes, but is not limited to, compression, vapor recovery unit (VRU) compression, burners, and pump jacks.

C = Lost and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment and piping specifications and operating pressures.

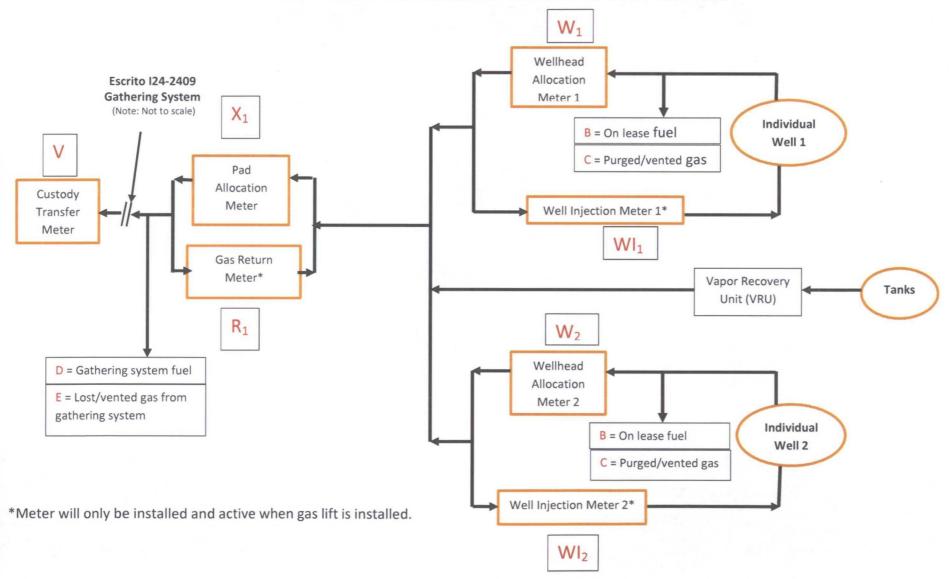
D = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]$.

E = Allocated volume of gas lost and/or vented from the gathering system, gathering system equipment, condensate collection, and water collection in MCF. The total volume will be determined using industry accepted procedures the time of the loss. The total volumes lost and/or vented will be allocated to the individual wells affected using factors determined $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]$.

<u>Individual Well BTU's</u> = $[[{(W_n-WI_n)*Z_n}/{SUM((W_n-WI_n)*Z_n)}]*(V*Y)*1000]$ Individual well gas heating values to be determined in accordance with BLM regulations.

Attachment No. 5 Encana Oil & Gas (USA) Inc. Escrito I24-2409 Gathering System San Juan County, New Mexico

Gas Measurement Allocation Procedure for Multi-Well Pads



Attachment No. 5 Encana Oil & Gas (USA) Inc. Escrito 124-2409 Gathering System San Juan County, New Mexico

Base Data:

V = Gas Volume (MCF) from Custody Transfer Meter during allocation period (Elm Ridge Gas Pipeline)

 X_x = Gas Volume (MCF) from Pad Allocation Meter during allocation period. (Encana)

R_x = Gas Volume (MCF) from Gas Return Meter at Well Pad (Encana)*

 $(X_x - R_x) = Gas Volume (MCF)$ for total Well Pad Production (Encana)

 W_x = Gas Volume (MCF) from Wellhead Allocation Meter at individual wells during allocation period. (Encana)

WI_x = Gas Volume (MCF) from Well Injection Meter at individual wells during allocation period. (Encana)*

Y = Heating Value (BTU/scf) from Custody Transfer Meter during allocation period. (Elm Ridge Gas Pipeline)

Z = Heating Value (BTU/scf) from individual Wellhead Allocation Meter and Well Injection Meter. (Encana)

Allocation Period is typically a calendar month and will be the same for all Well Pads and individual wells.

Allocate the off lease Custody Transfer volume back to the well pad

 A_{AL} = Well pad allocated volume (MCF) = $[(X_1-R_1)/((X_1-R_1)+(X_2-R_2)+(X_n-R_n))]*(V) + D + E$

Distribute (allocate) the allocated well pad production, (AAL) back to each well on the pad

Gas production (MCF) allocated back to the individual wells on a Well Pad is calculated using the formula: AL Net_n = $[(W_1-WI_1)/((W_1-WI_1)+(W_2-WI_2)+(W_n-WI_n))]^* A_{AL}$

Determine the final allocated production for each well on the pad

Final allocated individual well production (MCF) = AL Net_n + B_n + C_n

 B_n = On lease fuel usage attributed to an individual well, MCF. Determined from equipment specification and operating conditions. This includes, but is not limited to, compression, vapor recovery unit (VRU) compression, burners, and pump jacks.

Attachment No. 5 Encana Oil & Gas (USA) Inc. Escrito I24-2409 Gathering System San Juan County, New Mexico

 C_n = Lost and/or vented gas attributed to an individual well from well and/or lease equipment, MCF. Calculated using equipment and piping specifications and operating pressures.

D = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the Well Pads benefiting from the equipment using allocation factors determined by $[(X_1-R_1)/((X_1-R_1)+(X_2-R_2)+(X_n-R_n))]$ and for individual wells using allocation factors determined by $[(W_1-WI_1)/((W_1-WI_1)+(W_2-WI_2)+(W_n-WI_n))]$.

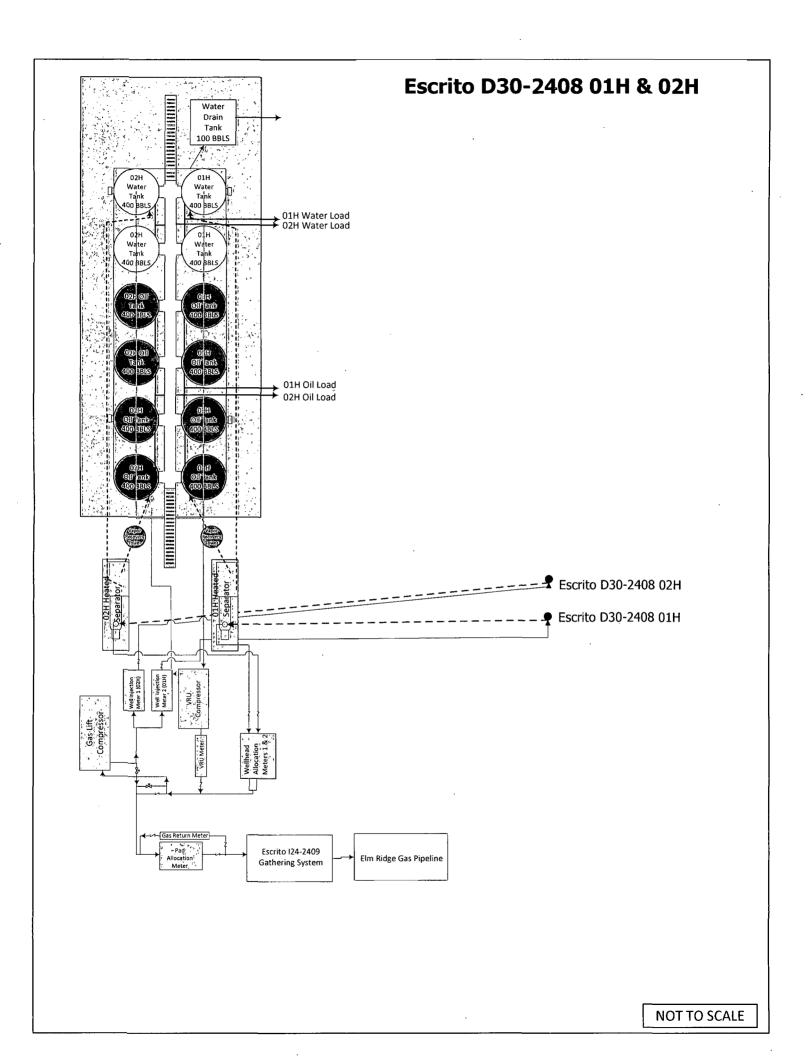
E = Allocated volume of gas lost and/or vented from the gathering system, gathering system equipment, condensate collection, and water collection in MCF. The total volume will be determined using industry accepted procedures the time of the loss. The total volumes lost and/or vented will be allocated to the Well Pads affected using factors determined by $[(X_1-R_1)/((X_1-R_1)+(X_2-R_2)+(X_n-R_n))]$, and for individual wells using factors determined by $[(W_1-WI_1)/((W_1-WI_1)+(W_2-WI_2)+(W_n-WI_n))]$.

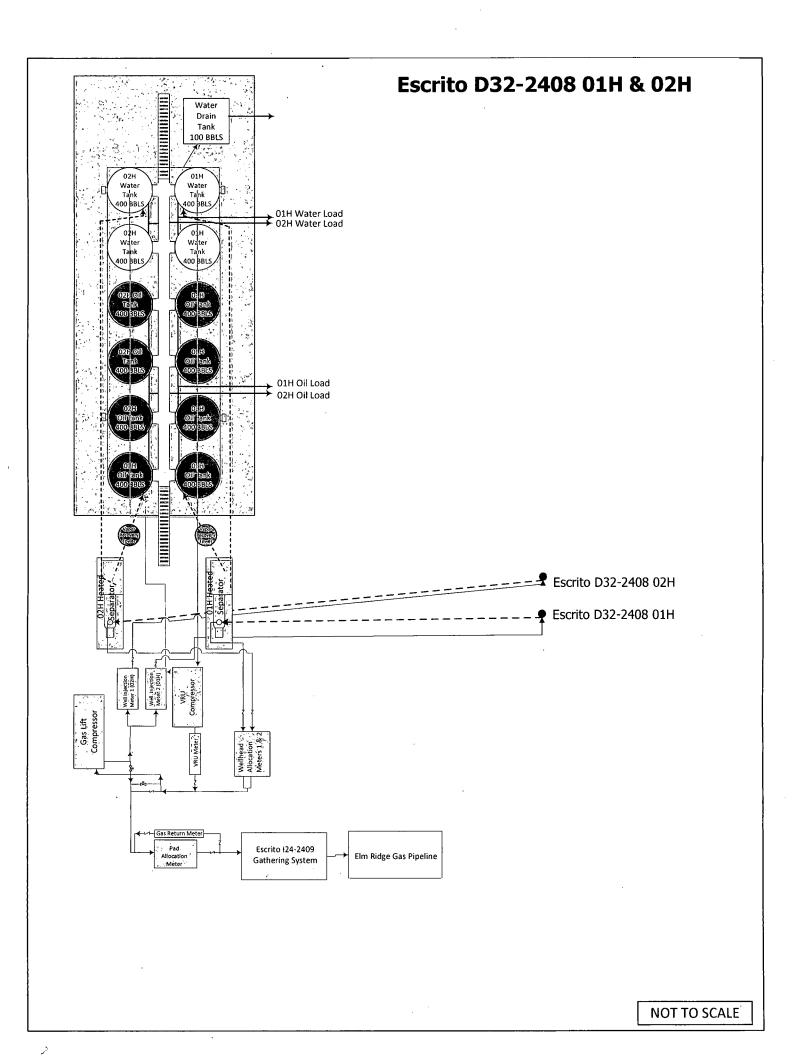
Individual Well BTU's = $[[\{(W_n-WI_n)*Z_n\}/\{SUM((W_n-WI_n)*Z_n)\}]*(V*Y)*1000]$ Individual well gas heating values to be determined in accordance with BLM regulations.

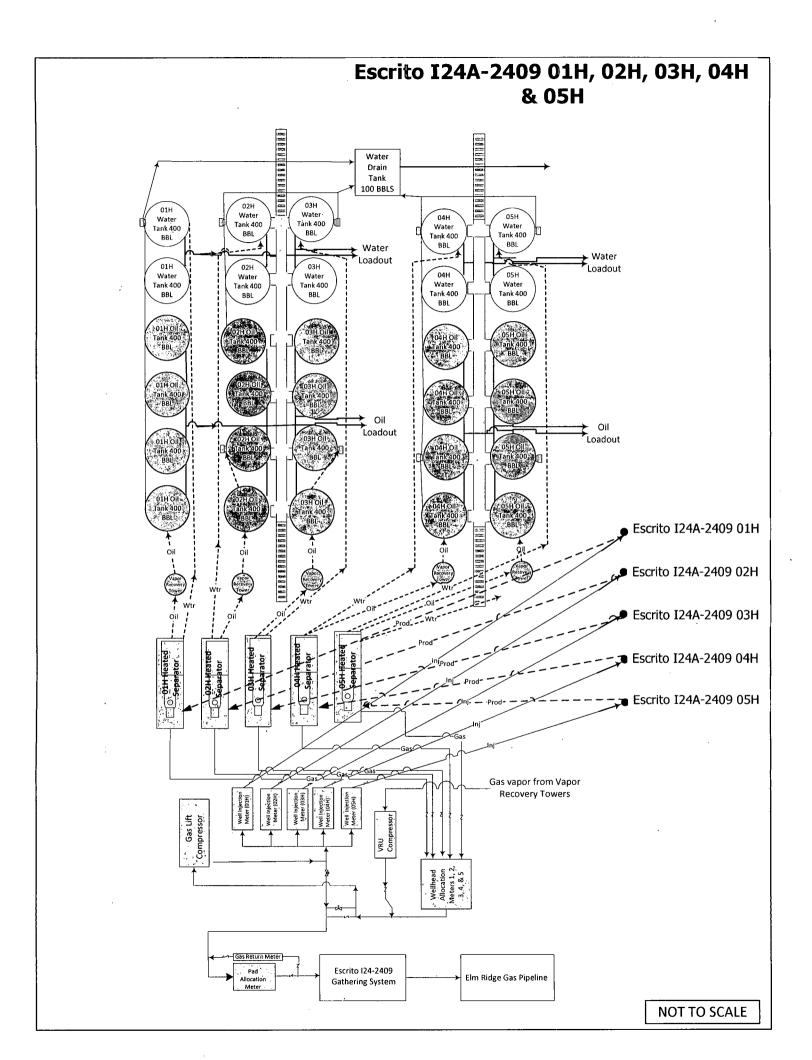
Attachment No. 6 Encana Oil & Gas (USA) Inc. Escrito 124-2409 Gathering System San Juan County, New Mexico Amendment Dated October 14, 2014

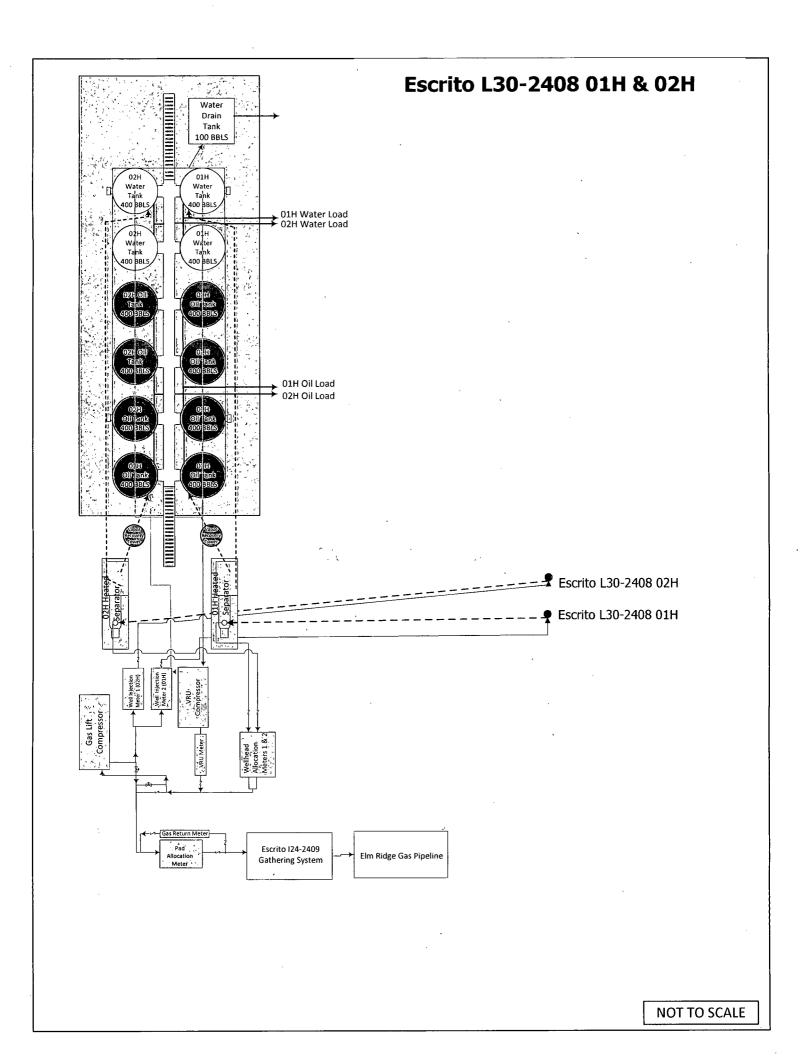
Gas Lift Schematics and descriptions for each of the eight (8) well pads attached herein:

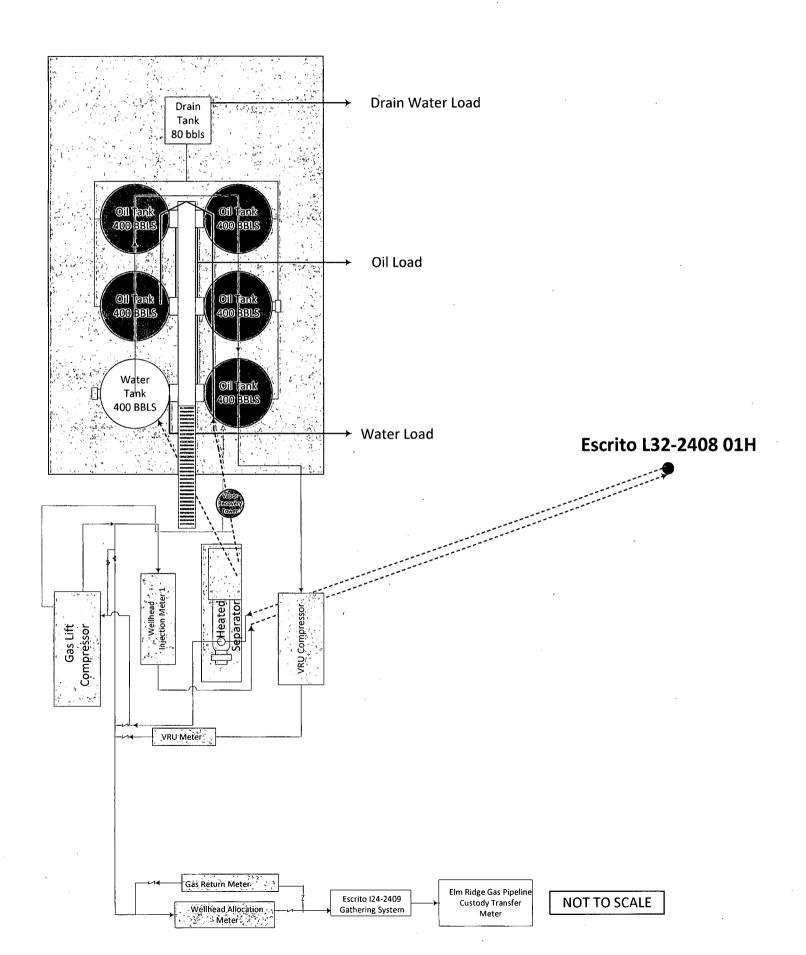
Escrito D30-2408 02H	Escrito D30-2408 02H
Escrito D32-2408 01H	Escrito D32-2408 01H
	Escrito D32-2408 02H
Escrito I24A-2409 01H	Escrito I24A-2409 01H
	Escrito I24A-2409 02H
	Escrito I24A-2409 03H
	Escrito I24A-2409 04H
	Escrito I24A-2409 05H
Escrito L30-2408 01H	Escrito L30-2408 01H
	Escrito L30-2408 02H
Escrito L32-2408 01H	Escrito L32-2408 01H
Escrito M30-2408 01H	Escrito M30-2408 01H
	Escrito M30-2408 02H
Escrito M32-2408 01H	Escrito M32-2408 01H
Escrito N19-2408 01H	Escrito N19-2408 01H
	Escrito N19-2408 02H

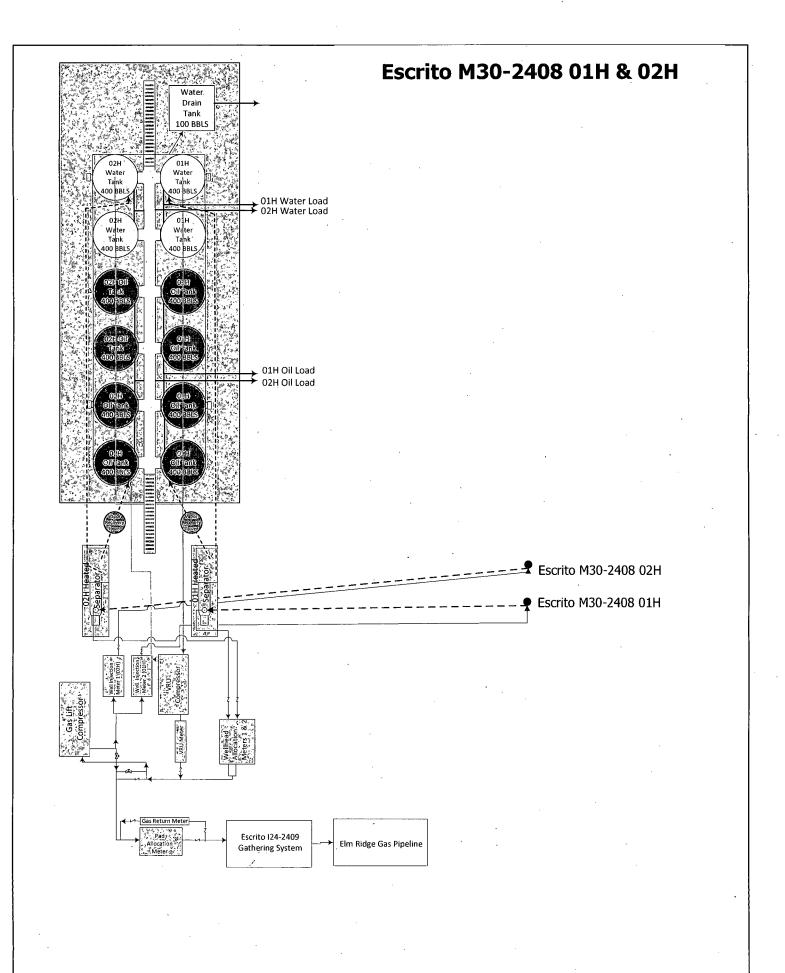


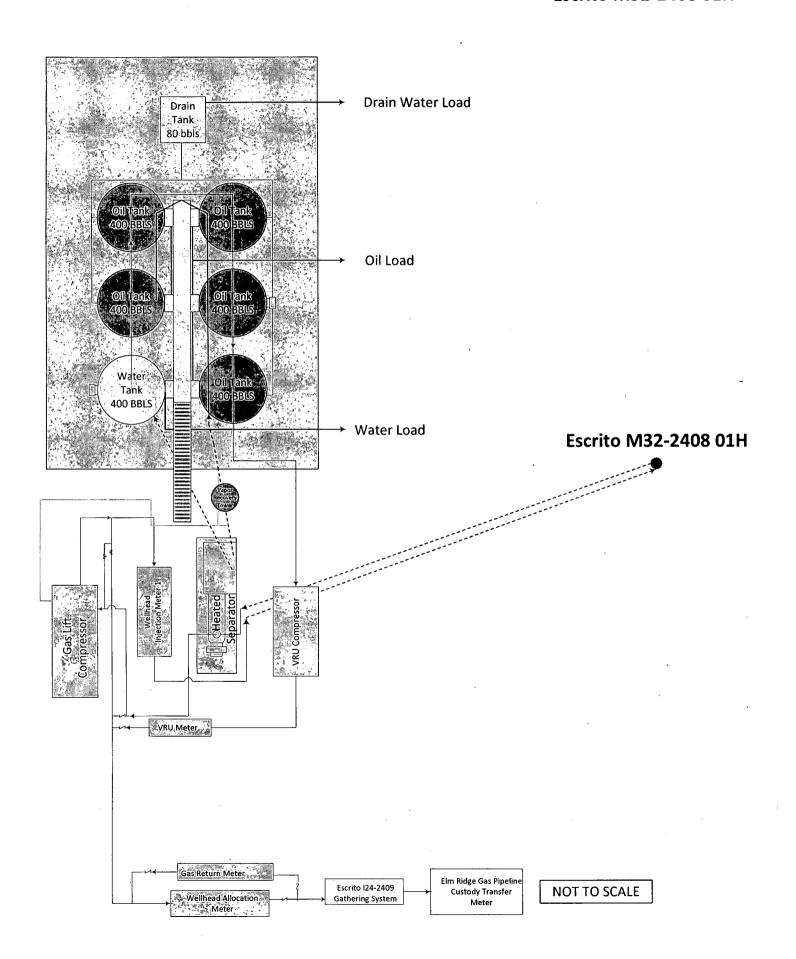


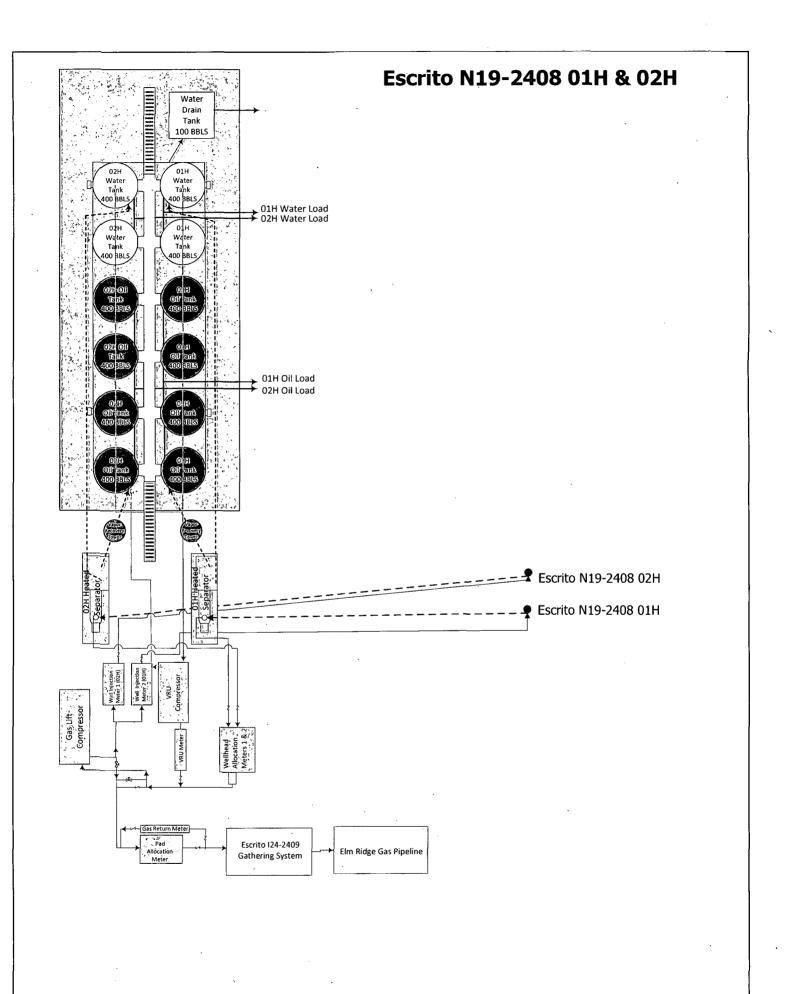












NOT TO SCALE