

February 27, 2018

Bureau of Land Management

6251 College Blvd, Ste A Farmington, NM 87402 Attn: Mr. Joe Hewitt

State of New Mexico Land Office

310 Old Santa Fe Trail Santa Fe, NM 87504 Attention: Marilyn Gruebel

State of New Mexico Oil Conservation Division

1220 South St. Francis Drive Santa Fe, NM 87505 Attention: Heather Riley

Re: Plan of Development 2018

Corrales Canyon Unit

Sandoval County, New Mexico

Ladies and Gentlemen:

Encana Oil & Gas (USA) Inc. ("Encana") respectfully submits for your approval the 2018 Plan of Development and Review of Operations for the Corrales Canyon Unit – NMNM 135852X – located in Sandoval County, New Mexico.

The Corrales Canyon Unit was approved on December 19, 2016 to be made effective April 1, 2014. In accordance with the terms Article 9, Encana drilled and completed the Corrales Canyon Unit 101H well (f/k/a Lybrook P24-2206 01H) as the initial unit obligation well which is described below.

The Corrales Canyon Unit Mancos Participating Area NMNM 135852A was approved January 26, 2017, which encompassed the entire Corrales Canyon Unit area of 2,560.00 acres.

This 2018 Plan of Development contains a review of the operations conducted in the Corrales Canyon Unit since the April 1, 2014 inception of the unit.

REVIEW OF OPERATIONS (includes all operations conducted since unit inception)

Existing Wells Drilled & Completed

| Well Name | Location | Spud Date | Completion Date | Work Performed |
|---------------------------|------------|------------|-----------------|-------------------------------|
| Corrales Canyon Unit 101H | 24-22N-06W | 04/09/2014 | 05/08/2014 | Completed to Mancos Formation |

Other Operations

Workover Operations

| Well Name | Work Completed | Date Completed |
|---------------------------|-------------------------|----------------|
| Corrales Canyon Unit 101H | Facilities installation | 2015 |
| Corrales Canyon Unit 101H | Compressor | 2015 |



Tank Isolation Project – the installation of isolation and de-pressure valves on the tank vapor header system for each storage tank to allow for the safe maintenance of storage tanks.

| Well Name | Location | Year Completed |
|---------------------------|------------|-------------------|
| Corrales Canyon Unit 101H | 24-22N-06W | 2015 |

2018 PLAN OF DEVELOPMENT

2018 Drilling Operations

None

2018 Other Operations

None

Unit Materials Enclosed

Enclosed herewith are the following materials reflecting current unit and well status.

- Current North Alamito Unit Existing Well List
 - Production History Table (by well)
 - Production Curve Graph (by well)
- 2. Grid with Well Locations
- 3. Current Infrastructure Map

*Note: Unit Agreement Exhibits A & B are available, but have not been included as enclosures herewith because there have been no changes since the last versions were submitted to your offices.

Any additions or modifications to this Plan of Development will be submitted on a Supplemental Plan of Development. If you have any questions regarding this Plan of Development please feel free to contact Mona Binion at mona.binion@encana.com or 720-876-5325.

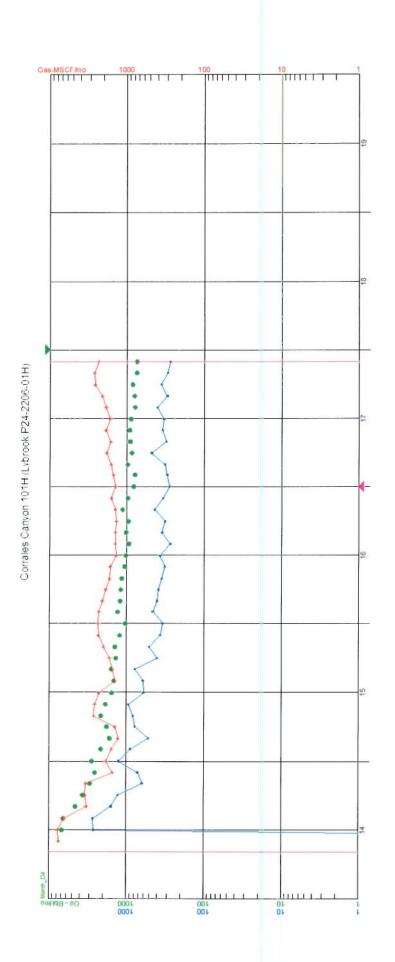
Sincerely.

Megan E. Gross Land Technician

Enclosures:

Cc: Working Interest Owners - Nageezi Unit

| | | - | | | | | | 2014 | | | 2015 | | | 2016 | | | 2017 | | \$/201 | 14 to 11/2017 | |
|-----------------------------|----------------------|----------|-------------------|---|--------------|--------------|-----------|----------|--|-----------|-----------|-------------|-----------|-------------|-------------|--|-------------|-----------|--------------------|----------------|-------------|
| Wells | Sect. Twishp. Rige | County | State API | Spud Da | ate First Sa | Sales Status | OIL (bbl) | GAS (med | WATER (bbi) | Oit (bbi) | GAS (mcf) | WATER (bbl) | 011 (991) | SAS (mcf) W | VATER (bbi) | OIL (bbl) G | AS (met) WA | TER (bbl) | otal Oil, by Total | Il GAS by Tota | al WATER by |
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| ON TOTAL (PARTAMENTH) | 74, 6W, 22N | Sandoval | VM 30043211240. | 100 04/09/2 | 2014 06/03/2 | 3014 PR | 29,886 | 34,781 | 10,825 | 19.225 | 22.785 | 7.586 | 12 793 | 19 300 | 4 314 | 9 366 | 21 435 | 3 736 | 7: 169 | COE 80 | 76.461 |



| | | | | | | | | 2014 | | | 2015 | | | 2016 | | | 2017 | _ | 2/5 | 2014 to 11/201 | 7 |
|------------------------------------|--------------------|-------------|------------------|-------------|------------------|--------|-----------|-----------|-------------|------------|-------------|------------|-------------|-------------|------------|--------------|--------------|---------------|----------------|----------------|--------------|
| Wells | Sect. Twnshp. Rnge | County St | tate | Spud Day | te First Sales | Status | OIL (bbi) | GAS (mcf) | WATER (bbl) | OIL (bb) (| SAS (mcf) W | ATER (bbi) | OIL (bbl) G | AS (mcf) W. | ATER (bbl) | JIL (bbl) G. | AS (mcf) WAT | TER (bbi) Tot | otal OIL by To | tal GAS by To | otal WATER b |
| ORRALES CANYON 101H (P24-2206-01H) | 24, 6W, 22N | Sandoval N. | M 3004321124010K | 10 04/09/20 | 314 06/03/2014 P | R. | 29,886 | 34,781 | 10,825 | 19,225 | 22.785 | 7.586 | 12.793 | 19.300 | 4.314 | 9.266 | 21.435 | 3.736 | 71.169 | SR 302 | 76.461 |

