

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JAN 19 2012

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

SUBMIT IN TRIPLICATE – Other instructions on page 2		5 Lease Serial No. NM 86080
1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6 If Indian, Allottee or Tribe Name
2 Name of Operator Encana Oil & Gas (USA) Inc		7 If Unit of CA/Agreement, Name and/or No
3a Address 370 17th Street, Suite 1700 Denver, CO 80202	3b Phone No (include area code) 720-876-3989	8 Well Name and No Escrito I24-2409 01H
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) SHL 1935' FSL and 205' FEL Section 24, T24N, R9W BHL 1935' FNL and 330' FWL Section 24, T24N, R9W		9 API Well No 30-045-35322
		10 Field and Pool or Exploratory Area Bisti-Lower Gallup
		11 Country or Parish, State San Juan, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Correction to
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	dedicated acreage on
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	C-102 and APD

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

Encana Oil & Gas (USA) Inc (Encana) submitted an Application for Permit to Drill the Escrito I24-2409 oil well on November 1, 2011.

Encana would like to correct the dedicated acreage and the Spacing Unit from 320 acres (S2 Section 24) to 640 acres (S2 Section 24 and N2 Section 25). A revised C-102 and APD are attached

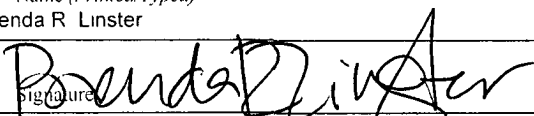
RCVD JAN 27 '12

OIL CONS. DIV.

DIST. 3

REJECTED

* See attached letter

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Brenda R Linster		Title Regulatory Advisor
Signature 		Date 01.18.12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon	Office	

Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

NMOCD
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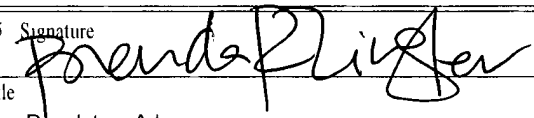
APPLICATION FOR PERMIT TO DRILL OR REENTER
Bureau of Land Management

1a Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5 Lease Serial No. SF-078860
1b Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name
2 Name of Operator Encana Oil & Gas (USA) Inc		7 If Unit or CA Agreement, Name and No.
3a Address 370 17th Street, Suite 1700 Denver, CO 80202	3b Phone No. (include area code) 720-876-3989	8 Lease Name and Well No. Escrito I24-2409 01H
4 Location of Well (Report location clearly and in accordance with any State requirements *) At surface 1935' FSL and 205' FEL Section 24 T24N, R9W At proposed prod. zone 1935' FSL and 330' FWL Section 24, T24N, R9W		9 API Well No.
14 Distance in miles and direction from nearest town or post office* +/- 36.5 miles southeast of Farmington, NM		10 Field and Pool, or Exploratory Bisti-Lower Gallup (5890)
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig. unit line, if any) BHL is 330' from west lease line		11 Sec. T. R. M or Blk and Survey or Area Section 24, T24N, R9W NMPM
16 No of acres in lease SF-078860 2,560 acres	17 Spacing Unit dedicated to this well 640 acres S2 Section 24 and N2 Section 25, T24N, R9W	12 County or Parish San Juan
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft Largo Federal B 91 is 84' south of wellbore	19 Proposed Depth 6600' TVD/ 9962' MD	13 State NM
20 BLM/BIA Bond No. on file COB-000235	21 Elevations (Show whether DF, KDB, RT, GL, etc.) 6880' GL, 6894' KB	22 Approximate date work will start* 02/01/2012
23 Estimated duration 45 days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the BLM |

25 Signature 	Name (Printed/Typed) Brenda R. Linster	Date 01-18-12
Title Regulatory Advisor		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Continued on page 2)

*(Instructions on page 2)

NMOCD

District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First Street, 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 Drive, 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 Drive
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 5890	*Pool Name BISTI LOWER - GALLUP
*Property Code	*Property Name ESCRITO I24-2409		*Well Number 01H
*OGRID No. 282327	*Operator Name ENCANA OIL & GAS (USA) INC.		*Elevation 6880'

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
I	24	24N	9W		1935	SOUTH	205	EAST	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
L	24	24N	9W		1935	SOUTH	330	WEST	SAN JUAN

¹² Dedicated Acres 640.0 Acres S/2 Section 24 & N/2 Section 25	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

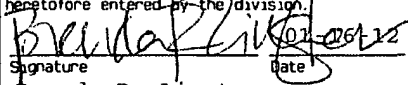

24		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature: Brenda R. Linster Printed Name: brenda.linster@encana.com E-mail Address:	
25		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: JULY 22, 2011 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269	

Diagram details:
Top: 330' (measured), 205' (measured)
Left: 1935' (measured)
Right: 1935' (measured)
Bottom: 589'07" W 2651.88' (RECORD)
Center: Gallup Penetration Point 1935' FSL 316' FEL
Start of Completed Interval 1935' FSL 691' FEL
Bottom-left: 588'53'33" W 2647.24' (MEASURED)
Bottom-right: 588'57'49" W 2675.41' (MEASURED)
Bottom-center: BOTTOM-HOLE LAT: 36.29764° N LONG: 107.74825° W DATUM: NAD1927 SURFACE LOCATION LAT: 36.29787° N LONG: 107.73197° W DATUM: NAD1927
Bottom-center: LAT: 36.29765° N LONG: 107.74886° W DATUM: NAD1983 LAT: 36.29788° N LONG: 107.73258° W DATUM: NAD1983
Left edge: NO 04°02'E 2644.46' (MEASURED)
Right edge: NO 21°E 2646.27' (RECORD) NO 15°40'E 2640.35' (MEASURED)