

encana

July 25, 2014

Dugan Production Corp.
Kurt Fagrelus
709 East Murray Drive
Farmington, NM 87401

30-043-21198

OIL CONS. DIV DIST. 3
JUL 29 2014

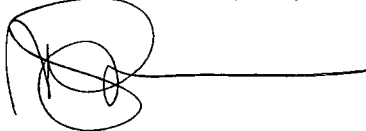
RE: Hydraulic Fracturing Notice
Encana Lybrook P32-2307 01H
Surface Location: T23N-R07W Sec. 32; 664' FSL, 31' FEL
Bottom Hole Location: T23N-R07W Sec. 32; 950' FSL, 330' FWL
Project Area T23N-R07W Sec. 32: S2S2
Sandoval County, NM

Gentlemen:

The purpose of this letter is to provide you notice that Encana plans to commence hydraulic fracturing operations for its Lybrook P32-2307-01H well located in Township 23 North, Range 07 West, Sandoval County, New Mexico (T23N-R07W Sec. 32: S2S2) from on or about 09/14/2014 to on or about 09/27/14. Since the completed interval for this well is located near one or more wells operated by your company, this courtesy notice is provided so that you, as operator, can undertake appropriate action to protect your well(s).

If you would like more information regarding Encana's hydraulic fracturing operations schedule for this well, please contact Megan Gross at 720-876-3219.

Sincerely,
Encana Oil & Gas (USA) Inc.



Megan Gross
Land Assistant

Cc: Jim Lovato, BLM
William Hoppe, NMOCD