

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: 7-29-15

Well information;

Operator Encana, Well Name and Number Escrito m21 2409 # 14

API# 30-045-35701, Section 21, Township 24 N/S, Range 9 E/W

Conditions of Approval:

(See the below checked and handwritten conditions)

- ☒ Notify Aztec OCD 24hrs prior to casing & cement.
- ☒ Hold C-104 for directional survey & "As Drilled" Plat
- ☒ Hold C-104 for NSL, NSP, DHC
- ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- ☒ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ☒ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

NMOCD Approved by Signature

11-30-2015
Date KC

OIL CONS. DIV DIST. 3

NOV 19 2015

Form 3160-3
(March 2012)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER		Farmington Field Office Bureau of Land Management		5. Lease Serial No. NMNM 10755
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone				6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Encana Oil & Gas (USA) Inc.				7. If Unit or CA Agreement, Name and No. N/A
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202		3b. Phone No. (include area code) 720-876-5919		8. Lease Name and Well No. Escrito M21-2409 01H
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1,300' FSL, 396' FWL, Section 21, T24N, R9W At proposed prod. zone 1,980' FSL, 330' FWL, Section 20, T24N, R9W		10. Field and Pool, or Exploratory Bisti-Lower Gallup		9. API Well No. 30-045-35701
11. Sec., T. R. M. or Blk. and Survey or Area Section 21, T24N, R9W NMPM		12. County or Parish San Juan		13. State NM
14. Distance in miles and direction from nearest town or post office* +/- 32.9 miles South from the intersection of US HWY 64 & US HWY 550 in Bloomfield, NM		15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) BHL is 330' FWL Section 20, T24N, R9W		16. No. of acres in lease NMNM 10755- 800 acres
17. Spacing Unit dedicated to this well 320 acres- S/2 of Sec. 20, T24N, R9W		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SHL is +/- 30' East of Escrito M21-2409 02H		19. Proposed Depth 5,346' TVD, 10,474' MD
20. BLM/BIA Bond No. on file COB-000235		21. Elevations (Show whether DJF, KDB, RT, GL, etc.) 6,953' GL; 6,969' KB		22. Approximate date work will start* 02/15/2016
23. Estimated duration 20 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:

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

25. Signature <i>Jillian McGrath</i>	Name (Printed/Typed) Jillian McGrath	Date 7/29/15
Title Regulatory Analyst		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 7/17/15
Title AFM	Office FFO	

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 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.

(Continued on page 2)
OPERATOR FROM OBTAINING ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS
"GENERAL REQUIREMENTS"

*(Instructions on page 2)
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NMOCDV

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. 86210
Phone: (575) 748-1263 Fax: (575) 748-9720

DISTRICT III

1000 Rio Brazos Rd., Aztec, N.M. 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

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 30-045-35701	² Pool Code 5890	³ Pool Name BISTI-LOWER GALLUP
⁴ Property Code 315080	⁵ Property Name ESCRITO M21-2409	⁶ Well Number 01H
⁷ GRID No. 282327	⁸ Operator Name ENCANA OIL & GAS (USA) INC.	⁹ Elevation 6953.2'

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
M	21	24N	9W		1300'	SOUTH	396'	WEST	SAN JUAN

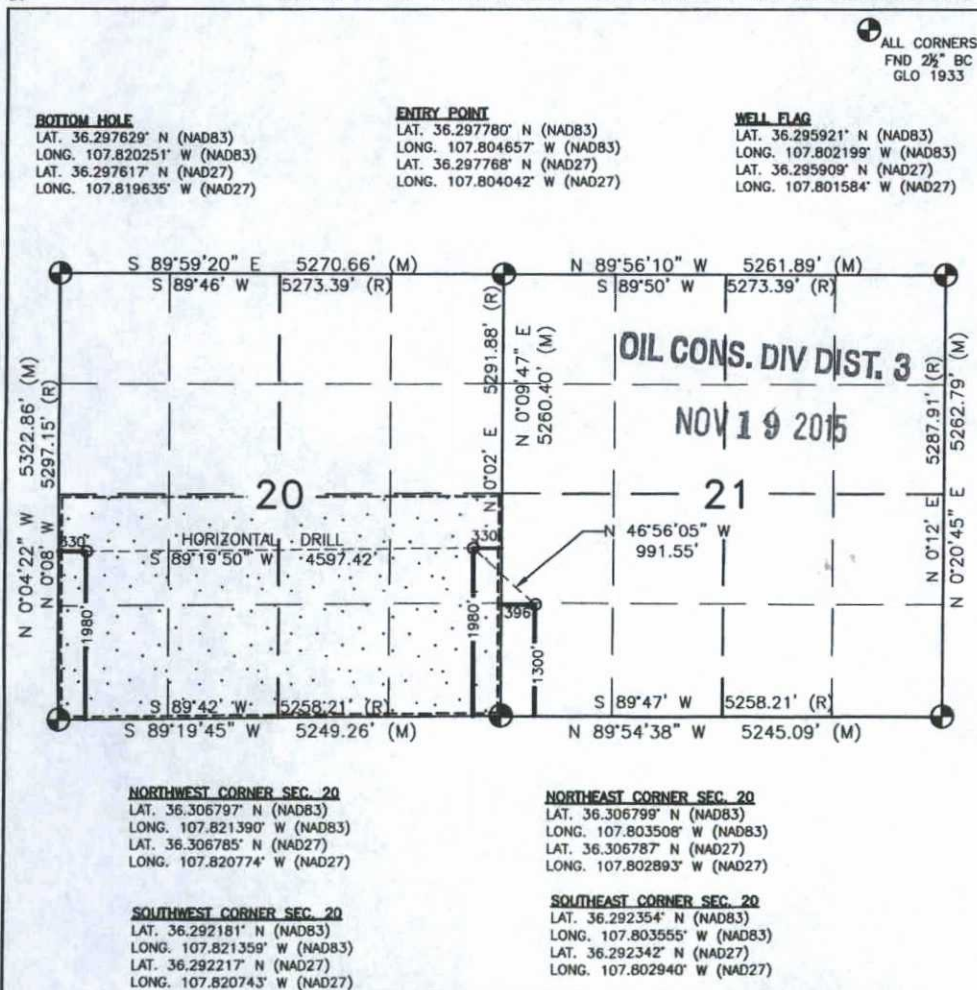
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	24N	9W		1980'	SOUTH	330'	WEST	SAN JUAN

¹² Dedicated Acres 320.00 ACRES PROJECT AREA S/2 SEC. 20	¹³ Joint or Infill	¹⁴ Consolidation 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

16

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or an undivided 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.

Jillian McGrath 7/30/15
Signature Date

Jillian McGrath
Printed Name

Jillian.McGrath@encana.com
E-mail Address

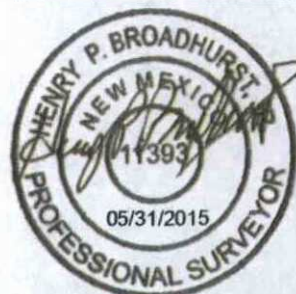
SURVEYOR CERTIFICATION

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

JUNE 5, 2014

Date of Survey

Signature and Seal of Professional Surveyor:



Escrito M21-2409 01H

SHL: 1300' FSL, 396' FWL, Sec 21, T24N, R9W

BHL: 1980' FSL, 330' FWL, Sec 20, T24N, R9W

San Juan County, New Mexico

Lease Number: NMNM 10755

**Encana Oil & Gas (USA) Inc.
Drilling Plan**

1. ESTIMATED TOPS OF GEOLOGICAL MARKERS (TVD)

The estimated tops of important geologic markers are as follows:

Formation	Depth (TVD) units = feet
San Jose Fn.	n/a
Nacimiento Fn.	surface
Ojo Alamo Ss.	878
Kirtland Shale	1,092
Fruitland Coal	1,392
Pictured Cliffs Ss.	1,668
Lewis Shale	1,822
Cliffhouse Ss.	2,486
Menefee Fn.	3,208
Point Lookout Ss.	4,137
Mancos Shale	4,327
Mancos Silt	4,922
Gallup Fn.	5,166
Base Gallup	5,474

The referenced surface elevation is 6953', KB 6969'

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

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,392
Oil/Gas	Pictured Cliffs Ss.	1,668
Oil/Gas	Cliffhouse Ss.	2,486
Gas	Menefee Fn.	3,208
Oil/Gas	Point Lookout Ss.	4,137
Oil/Gas	Mancos Shale	4,327
Oil/Gas	Mancos Silt	4,922
Oil/Gas	Gallup Fn.	5,166

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

Escrito M21-2409 01H

SHL: 1300' FSL, 396' FWL, Sec 21, T24N, R9W

BHL: 1980' FSL, 330' FWL, Sec 20, T24N, R9W

San Juan, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

3. PRESSURE CONTROL

- a) Pressure control equipment and configuration will be designed to meet 2M standards.
- b) Working pressure on rams and BOPE will be 3,000 psi.
- c) Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- d) The Annular BOP will be pressure tested to a minimum of 50 percent of its rated working pressure.
- e) Blind and Pipe Rams/BOP will be tested against a test plug to 100 percent of rated working pressure.
- f) Pressure tests are required before drilling out from under all casing strings set and cemented in place.
- g) BOP controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned.
- h) BOP testing procedures and testing frequency will conform to Onshore Order No. 2.
- i) BOP remote controls shall be located on the rig floor at a location readily accessible to the driller. Master controls shall be on the ground at the accumulator and shall have the capability to function all preventers.
- j) The kill line shall be 2-inch minimum and contain two kill line valves, one of which shall be a check valve.
- k) The choke line shall be a 2-inch minimum and contain two choke line valves (2-inch minimum).
- l) The choke and manifold shall contain two adjustable chokes.
- m) Hand wheels shall be installed on all ram preventers.
- n) Safety valves and wrenches (with subs for drill string connections) shall be available on the rig floor at all times.
- o) Inside BOP or float sub shall also be available on the rig floor at all times.

Proposed BOP and choke manifold arrangements are attached.

4. CASING & CEMENTING PROGRAM

The proposed casing and cementing program has been designed to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. All indications of useable water shall be reported.

- a) The proposed casing design is as follows:

Casing	Depth (MD)	Hole Size	Csg Size	Weight	Grade
Conductor	0'-60'	26"	16"	42.09#	
Surface	0'-500'	12 1/4"	9 5/8"	36#	J55, STC New
Intermediate	0'-5858'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5758'-10474'	6 1/8"	4 1/2"	11.6#	B80*, LTC New

Casing String				Casing Strength Properties			Minimum Design Factors		
Size	Weight (ppf)	Grade	Connection	Collapse (psi)	Burst (psi)	Tensile (1000lbs)	Collapse	Burst	Tension
9 5/8"	36	J55	STC	2020	3520	394	1.125	1.1	1.5
7"	26	J55	LTC	4320	4980	367	1.125	1.1	1.5
4.5"	11.6	B80	LTC	6350	7780	201	1.125	1.1	1.5

*B80 pipe specifications are attached.

Casing design is subject to revision based on geologic conditions encountered.

Escrito M21-2409 01H

SHL: 1300' FSL, 396' FWL, Sec 21, T24N, R9W

BHL: 1980' FSL, 330' FWL, Sec 20, T24N, R9W

San Juan, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1,500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

b) The proposed cementing program is as follows:

Casing	Depth (MD)	Cement Volume (sacks)	Cement Type & Yield	Designed TOC	Centralizers
Conductor	0'-60'	100 sks	Type I Neat 16 ppg	Surface	None
Surface	0'-500'	228 sks	Type III Cement + 1% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.2% bwoc FL-52A + 58.9% Fresh Water	Surface	1 per joint on bottom 3 joints
Intermediate	0'-5858'	100% open hole excess Stage 1 Lead: 547 sks Stage 1 Tail: 414 sks	Lead: PremLite + 3% CaCl + 0.25lb/sk CelloFlake + 5lb/sk LCM, 12.1ppg 2.13cuft/sk Tail: Type III Cmt + 1% CaCl + 0.25lb/sk Cello Flake 14.5ppg 1.38cuft/sk	Surface	1 every 3 joints through water bearing zones
Production Liner	5758'-10474'	50% OH excess Stage 1 Blend Total: 268sks	Blend: Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwow Potassium Chloride + 0.25lbs/sack Cello Flake + 0.5% bwoc CD-32 + 1.15% bwoc FL- 52A + 60 lbs/sack Calcium Carbonate + 124.4% Fresh Water. Yield 2.63 cuft/sk	Liner Hanger	N/A

Actual volumes will be calculated and determined by conditions onsite. All cement slurries will meet or exceed minimum BLM and New Mexico Oil Conservation Division requirements. Slurries used will be the slurries listed above or equivalent slurries depending on service provider selected. Cement yields may change depending on slurries selected.

All waiting on cement times shall be a minimum of 8 hours or adequate to achieve minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. WELL PLAN & DIRECTIONAL DRILLING PROGRAM

The proposed horizontal well will have a kick off point of 500'. Directional plans are attached.

Description	Proposed Depth (TVD/MD)	Formation
Horizontal Lateral TD	5346'/10474'	Gallup

Escrito M21-2409 01H

SHL: 1300' FSL, 396' FWL, Sec 21, T24N, R9W

BHL: 1980' FSL, 330' FWL, Sec 20, T24N, R9W

San Juan, New Mexico

Lease Number: NMNM 117562 & NMNM 109390

6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
30"	0-60'/60'	Fresh Water	8.3-9.2	38-100	4-28
12 1/4"	0'-500'/500'	Fresh Water	8.3-10	60-70	NC
8 3/4"	500'/500'-5410'/5858'	Fresh Water LSND	8.3-10	40-50	8-10

b) Intermediate Casing Point to TD:

Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
6 1/8"	5410'/5858'- 5346'/10474'	Fresh Water LSND	8.3-10	15-25	<15

- c) There will be sufficient mud on location to control a blowout should one occur. Mud flow and volume will be monitored both visually and with electronic pit volume totalizers. Mud tests shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

- ✓ d) A closed-loop system will be used to recover drilling fluid and dry cuttings in both phases of the well and on all hole intervals. Above-ground tanks will be utilized to hold cuttings and fluids for rig operations. A frac tank will be on location to store fresh water. Waste will be disposed of properly at an EPA-approved hazardous waste facility. Fresh water cuttings will be disposed of at Basin Disposal, Inc. and/or Industrial Ecosystems, Inc. The location will be lined in accordance with the Surface Use Plan of Operations.

7. TESTING, CORING, & LOGGING

- a) Drill Stem Testing - None anticipated.
b) Coring - None anticipated.
c) Mudd Logging - Mud loggers will be on location from kick off point to TD.
d) Logging - See below.

Cased Hole:

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

8. ABNORMAL PRESSURES & HYDROGEN SULFIDE

The anticipated bottom hole pressure is +/- 2537 psi based on a 9.0 ppg at 5420' TVD of the horizontal lateral target. No abnormal pressure or temperatures are anticipated.

No hydrogen sulfide gas is anticipated, however, if H₂S is encountered, the guidelines in Onshore Order No. 6 will be followed.

9. ANTICIPATED START DATE AND DURATION OF OPERATIONS

Drilling is estimated to commence on February 15, 2015. It is anticipated that completion operations will begin within 30 days after the well has been drilled depending on fracture treatment schedules with various pumping service companies.

It is anticipated that the drilling of this well will take approximately 20 days.

LOC: 1300' FSL, 396' FWL, Sec 21, T24N, R9W County: San Juan WELL: Escrito M21-2409 01H			Encana Oil & Gas (USA) Inc. WELL SUMMARY			ENG: 0 RIG: Unassigned GLE: 6953.2 RKBE: 6969.2			7/29/15
MWD LWD	OPEN HOLE LOGGING	FORM	DEPTH			HOLE SIZE	CASING SPECS	MW MUD TYPE	DEVIATION INFORMATION
			TVD	MD					
			60	60'		26	16" 42.09# 100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2	
Multi-Well pad - take survey every stand and run anti- collision report prior to spud	None	San Jose Fn.	0						
		Nacimiento Fn.	surface			12 1/4	9 5/8" 36ppf J55 LTC TOC Surface with 100% OH Excess: 228 sks Type III Cement + 1% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.2% bwoc FL-52A + 58.9% Fresh Water.	Fresh wtr 8.3-10	Vertical <1°
		9 5/8" Csg	500	500.00					
Survey Every 60'-120', updating anticollision report after surveys. Stop operations and contact drilling engineer if separation factor approaches 1.5	No OH logs	Ojo Alamo Ss. Kirtland Shale	878 1,092			8 3/4	7" 26ppf J55 LTC TOC @ surface (100% OH excess - 70% Lead 30% Tail) Stage 1 Total: 962sks Stage 1 Lead: 547 sks Premium Lite FM + 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.	Fresh Wtr 8.3-10	Vertical <1°
		Fruitland Coal	1,392						
		Pictured Cliffs Ss. Lewis Shale	1,668 1,822						
		Cliffhouse Ss. Menefee Fn.	2,486 3,208						
		Point Lookout Ss. Mancos Shale	4,137 4,327						
Surveys every 30' through the curve	Mud logger onsite	KOP	500	500			Stage 1 Tail: 414 sks Type III Cement + 1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield 1.38 cuft/sk.		
		Mancos Silt	4,922						
		Gallup Fn.	5,166						
		7" Csg	5,410	5,858'					
Surveys every stand to TD unless directed otherwise by Geologist	No OH Logs	Horizontal Target TD	5,420 5,346	10,474		6 1/8	100' overlap at liner top 4616' Drilled Lateral		Horz Inc/TVD 90.75deg/5420.2ft
MWD Gamma Directional		Base Gallup	5,474				4 1/2" 11.6ppf SB80 LTC TOC @ hanger (50% OH excess) Stage 1 Total: 268sks Stage 1 Blend: 268 sks Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwoc Potassium Chloride + 0.25lbs/sack Cello Flake + 0.5% bwoc CD-32 + 1.15% bwoc FL- 52A + 60 lbs/sack Calcium Carbonate + 124.4% Fresh Water. Yield 2.63 cuft/sk.	WBM 8.3-10	TD = 10473.5 MD

NOTES:

- 1) Drill with 26" bit to 60', set 16" 42.09ppf conductor pipe
- 2) Drill surface to 500', R&C 9 5/8" casing
- 3) N/U BOP and surface equipment
- 4) Drill to KOP of 500', 8 3/4 inch holesize
- 5) Start curve at 10deg/100' build rate
- 6) Drill to csg point of 5858' MD
- 7) R&C 7" csg, circ cmt to surface
- 8) Land at ~55 deg, drill lateral to 10474' run 4 1/2 inch cemented liner

CATHEDRAL

NOV 19 2015

Planning Report

Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S21-T24N-R9W
 Well: ESCRITO M21-2409 01H
 Wellbore: OH
 Design: PLAN #1

Local Co-ordinate Reference: Well ESCRITO M21-2409 01H
 TVD Reference: KB @ 6969.0usft
 MD Reference: KB @ 6969.0usft
 North Reference: True
 Survey Calculation Method: Minimum Curvature

Project San Juan County, NM

Map System: US State Plane 1983 System Datum: Mean Sea Level
 Geo Datum: North American Datum 1983
 Map Zone: New Mexico Western Zone

Site S21-T24N-R9W

Site Position: Northing: 1,927,016.35 usft Latitude: 36.295921
 From: Lat/Long Easting: 2,732,266.28 usft Longitude: -107.802199
 Position Uncertainty: 0.0 usft Slot Radius: 13-3/16" Grid Convergence: 0.02 °

Well ESCRITO M21-2409 01H

Well Position +N/-S 0.0 usft Northing: 1,927,016.35 usft Latitude: 36.295921
 +E/-W 0.0 usft Easting: 2,732,266.28 usft Longitude: -107.802199
 Position Uncertainty 0.0 usft Wellhead Elevation: 0.0 usft Ground Level: 6,953.0 usft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	7/1/2015	9.20	62.95	49,898

Design PLAN #1

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	269.32

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.00	0.00	
913.7	8.27	0.29	912.3	29.8	0.2	2.00	2.00	0.00	0.29	
4,741.0	8.27	0.29	4,699.7	580.6	3.0	0.00	0.00	0.00	0.00	
5,877.6	90.80	269.32	5,409.9	676.7	-724.3	8.00	7.26	-8.00	-90.85	ESCRITO M21-2409
10,473.5	90.80	269.32	5,345.8	622.3	-5,319.4	0.00	0.00	0.00	0.00	ESCRITO M21-2409

Planning Report

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	KB @ 6969.0usft
Project:	San Juan County, NM	MD Reference:	KB @ 6969.0usft
Site:	S21-T24N-R9W	North Reference:	True
Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	Comments / Formations
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	KOP @ 500' - 9 5/8"
600.0	2.00	0.29	600.0	1.7	0.0	0.0	2.00	2.00	
700.0	4.00	0.29	699.8	7.0	0.0	-0.1	2.00	2.00	
800.0	6.00	0.29	799.5	15.7	0.1	-0.3	2.00	2.00	
879.1	7.58	0.29	878.0	25.0	0.1	-0.4	2.00	2.00	Ojo Alamo Ss.
900.0	8.00	0.29	898.7	27.9	0.1	-0.5	2.00	2.00	
913.7	8.27	0.29	912.3	29.8	0.2	-0.5	2.00	2.00	EOB; INC=8.27°
1,000.0	8.27	0.29	997.7	42.2	0.2	-0.7	0.00	0.00	
1,095.3	8.27	0.29	1,092.0	56.0	0.3	-1.0	0.00	0.00	Kirtland Shale
1,100.0	8.27	0.29	1,096.6	56.6	0.3	-1.0	0.00	0.00	
1,200.0	8.27	0.29	1,195.6	71.0	0.4	-1.2	0.00	0.00	
1,300.0	8.27	0.29	1,294.5	85.4	0.4	-1.5	0.00	0.00	
1,398.5	8.27	0.29	1,392.0	99.6	0.5	-1.7	0.00	0.00	Fruitland Coal
1,400.0	8.27	0.29	1,393.5	99.8	0.5	-1.7	0.00	0.00	
1,500.0	8.27	0.29	1,492.5	114.2	0.6	-1.9	0.00	0.00	
1,600.0	8.27	0.29	1,591.4	128.6	0.7	-2.2	0.00	0.00	
1,677.4	8.27	0.29	1,668.0	139.7	0.7	-2.4	0.00	0.00	Pictured Cliffs Ss.
1,700.0	8.27	0.29	1,690.4	143.0	0.7	-2.4	0.00	0.00	
1,800.0	8.27	0.29	1,789.3	157.4	0.8	-2.7	0.00	0.00	
1,833.0	8.27	0.29	1,822.0	162.1	0.8	-2.8	0.00	0.00	Lewis Shale
1,900.0	8.27	0.29	1,888.3	171.8	0.9	-2.9	0.00	0.00	
2,000.0	8.27	0.29	1,987.3	186.1	1.0	-3.2	0.00	0.00	
2,100.0	8.27	0.29	2,086.2	200.5	1.0	-3.4	0.00	0.00	
2,200.0	8.27	0.29	2,185.2	214.9	1.1	-3.6	0.00	0.00	
2,300.0	8.27	0.29	2,284.1	229.3	1.2	-3.9	0.00	0.00	
2,400.0	8.27	0.29	2,383.1	243.7	1.2	-4.1	0.00	0.00	
2,500.0	8.27	0.29	2,482.1	258.1	1.3	-4.4	0.00	0.00	
2,504.1	8.27	0.29	2,486.1	258.7	1.3	-4.4	0.00	0.00	Cliffhouse Ss.
2,600.0	8.27	0.29	2,581.0	272.5	1.4	-4.6	0.00	0.00	
2,700.0	8.27	0.29	2,680.0	286.9	1.5	-4.9	0.00	0.00	
2,800.0	8.27	0.29	2,778.9	301.3	1.5	-5.1	0.00	0.00	
2,900.0	8.27	0.29	2,877.9	315.7	1.6	-5.4	0.00	0.00	
3,000.0	8.27	0.29	2,976.8	330.1	1.7	-5.6	0.00	0.00	
3,100.0	8.27	0.29	3,075.8	344.5	1.8	-5.8	0.00	0.00	
3,200.0	8.27	0.29	3,174.8	358.8	1.8	-6.1	0.00	0.00	
3,233.7	8.27	0.29	3,208.1	363.7	1.9	-6.2	0.00	0.00	Menefee Fn.
3,300.0	8.27	0.29	3,273.7	373.2	1.9	-6.3	0.00	0.00	
3,400.0	8.27	0.29	3,372.7	387.6	2.0	-6.6	0.00	0.00	
3,500.0	8.27	0.29	3,471.6	402.0	2.1	-6.8	0.00	0.00	
3,600.0	8.27	0.29	3,570.6	416.4	2.1	-7.1	0.00	0.00	
3,700.0	8.27	0.29	3,669.6	430.8	2.2	-7.3	0.00	0.00	
3,800.0	8.27	0.29	3,768.5	445.2	2.3	-7.6	0.00	0.00	
3,900.0	8.27	0.29	3,867.5	459.6	2.3	-7.8	0.00	0.00	
4,000.0	8.27	0.29	3,966.4	474.0	2.4	-8.0	0.00	0.00	
4,100.0	8.27	0.29	4,065.4	488.4	2.5	-8.3	0.00	0.00	
4,172.5	8.27	0.29	4,137.1	498.8	2.5	-8.5	0.00	0.00	Point Lookout Ss.
4,200.0	8.27	0.29	4,164.4	502.8	2.6	-8.5	0.00	0.00	

Planning Report

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	KB @ 6969.0usft
Project:	San Juan County, NM	MD Reference:	KB @ 6969.0usft
Site:	S21-T24N-R9W	North Reference:	True
Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	Comments / Formations
4,300.0	8.27	0.29	4,263.3	517.1	2.6	-8.8	0.00	0.00	
4,364.5	8.27	0.29	4,327.1	526.4	2.7	-8.9	0.00	0.00	Mancos Shale
4,400.0	8.27	0.29	4,362.3	531.5	2.7	-9.0	0.00	0.00	
4,500.0	8.27	0.29	4,461.2	545.9	2.8	-9.3	0.00	0.00	
4,600.0	8.27	0.29	4,560.2	560.3	2.9	-9.5	0.00	0.00	
4,700.0	8.27	0.29	4,659.1	574.7	2.9	-9.8	0.00	0.00	
4,741.0	8.27	0.29	4,699.7	580.6	3.0	-9.9	0.00	0.00	Start DLS 8.00 TFO -90.85
4,800.0	9.46	330.23	4,758.0	589.1	0.6	-7.6	8.00	2.01	
4,900.0	15.04	302.21	4,855.8	603.1	-14.5	7.3	8.00	5.58	
4,969.0	19.86	293.17	4,921.6	612.5	-32.9	25.6	8.00	6.99	Mancos Silt
5,000.0	22.13	290.39	4,950.6	616.6	-43.2	35.9	8.00	7.32	
5,100.0	29.67	284.22	5,040.5	629.3	-84.9	77.4	8.00	7.54	
5,200.0	37.39	280.40	5,123.8	640.9	-138.8	131.2	8.00	7.72	
5,251.7	41.42	278.92	5,163.7	646.4	-171.2	163.5	8.00	7.79	Gallup Fn.
5,300.0	45.20	277.74	5,198.9	651.2	-204.0	196.2	8.00	7.82	
5,400.0	53.05	275.72	5,264.3	659.9	-279.0	271.2	8.00	7.85	
5,500.0	60.93	274.07	5,318.7	667.0	-362.5	354.6	8.00	7.88	
5,600.0	68.83	272.66	5,361.1	672.3	-452.8	444.8	8.00	7.90	
5,700.0	76.74	271.40	5,390.7	675.7	-548.2	540.1	8.00	7.91	
5,800.0	84.65	270.22	5,406.8	677.0	-646.8	638.7	8.00	7.91	
5,857.9	89.24	269.55	5,409.9	676.9	-704.6	696.5	8.00	7.92	7" ICP
5,877.6	90.80	269.32	5,409.9	676.7	-724.3	716.2	8.00	7.92	LP @ 5409' TVD; 90.8°
5,900.0	90.80	269.32	5,409.6	676.5	-746.7	738.6	0.00	0.00	
6,000.0	90.80	269.32	5,408.2	675.3	-846.7	838.6	0.00	0.00	
6,100.0	90.80	269.32	5,406.8	674.1	-946.7	938.6	0.00	0.00	
6,200.0	90.80	269.32	5,405.4	672.9	-1,046.6	1,038.6	0.00	0.00	
6,300.0	90.80	269.32	5,404.0	671.7	-1,146.6	1,138.6	0.00	0.00	
6,400.0	90.80	269.32	5,402.6	670.5	-1,246.6	1,238.6	0.00	0.00	
6,500.0	90.80	269.32	5,401.2	669.4	-1,346.6	1,338.5	0.00	0.00	
6,600.0	90.80	269.32	5,399.8	668.2	-1,446.6	1,438.5	0.00	0.00	
6,700.0	90.80	269.32	5,398.4	667.0	-1,546.6	1,538.5	0.00	0.00	
6,800.0	90.80	269.32	5,397.0	665.8	-1,646.5	1,638.5	0.00	0.00	
6,900.0	90.80	269.32	5,395.6	664.6	-1,746.5	1,738.5	0.00	0.00	
7,000.0	90.80	269.32	5,394.2	663.4	-1,846.5	1,838.5	0.00	0.00	
7,100.0	90.80	269.32	5,392.9	662.2	-1,946.5	1,938.5	0.00	0.00	
7,200.0	90.80	269.32	5,391.5	661.1	-2,046.5	2,038.5	0.00	0.00	
7,300.0	90.80	269.32	5,390.1	659.9	-2,146.4	2,138.5	0.00	0.00	
7,400.0	90.80	269.32	5,388.7	658.7	-2,246.4	2,238.5	0.00	0.00	
7,500.0	90.80	269.32	5,387.3	657.5	-2,346.4	2,338.4	0.00	0.00	
7,600.0	90.80	269.32	5,385.9	656.3	-2,446.4	2,438.4	0.00	0.00	
7,700.0	90.80	269.32	5,384.5	655.1	-2,546.4	2,538.4	0.00	0.00	
7,800.0	90.80	269.32	5,383.1	653.9	-2,646.4	2,638.4	0.00	0.00	
7,900.0	90.80	269.32	5,381.7	652.8	-2,746.3	2,738.4	0.00	0.00	
8,000.0	90.80	269.32	5,380.3	651.6	-2,846.3	2,838.4	0.00	0.00	
8,100.0	90.80	269.32	5,378.9	650.4	-2,946.3	2,938.4	0.00	0.00	
8,200.0	90.80	269.32	5,377.5	649.2	-3,046.3	3,038.4	0.00	0.00	
8,300.0	90.80	269.32	5,376.1	648.0	-3,146.3	3,138.4	0.00	0.00	
8,400.0	90.80	269.32	5,374.7	646.8	-3,246.3	3,238.4	0.00	0.00	
8,500.0	90.80	269.32	5,373.3	645.6	-3,346.2	3,338.4	0.00	0.00	
8,600.0	90.80	269.32	5,371.9	644.5	-3,446.2	3,438.3	0.00	0.00	
8,700.0	90.80	269.32	5,370.5	643.3	-3,546.2	3,538.3	0.00	0.00	
8,800.0	90.80	269.32	5,369.1	642.1	-3,646.2	3,638.3	0.00	0.00	

Planning Report

Database: USA EDM 5000 Multi Users DB
 Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Site: S21-T24N-R9W
 Well: ESCRITO M21-2409 01H
 Wellbore: OH
 Design: PLAN #1

Local Co-ordinate Reference:
 TVD Reference:
 MD Reference:
 North Reference:
 Survey Calculation Method:

Well ESCRITO M21-2409 01H
 KB @ 6969.0usft
 KB @ 6969.0usft
 True
 Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100u)	Comments / Formations
8,900.0	90.80	269.32	5,367.7	640.9	-3,746.2	3,738.3	0.00	0.00	
9,000.0	90.80	269.32	5,366.4	639.7	-3,846.2	3,838.3	0.00	0.00	
9,100.0	90.80	269.32	5,365.0	638.5	-3,946.1	3,938.3	0.00	0.00	
9,200.0	90.80	269.32	5,363.6	637.3	-4,046.1	4,038.3	0.00	0.00	
9,300.0	90.80	269.32	5,362.2	636.2	-4,146.1	4,138.3	0.00	0.00	
9,400.0	90.80	269.32	5,360.8	635.0	-4,246.1	4,238.3	0.00	0.00	
9,500.0	90.80	269.32	5,359.4	633.8	-4,346.1	4,338.3	0.00	0.00	
9,600.0	90.80	269.32	5,358.0	632.6	-4,446.1	4,438.2	0.00	0.00	
9,700.0	90.80	269.32	5,356.6	631.4	-4,546.0	4,538.2	0.00	0.00	
9,800.0	90.80	269.32	5,355.2	630.2	-4,646.0	4,638.2	0.00	0.00	
9,900.0	90.80	269.32	5,353.8	629.1	-4,746.0	4,738.2	0.00	0.00	
10,000.0	90.80	269.32	5,352.4	627.9	-4,846.0	4,838.2	0.00	0.00	
10,100.0	90.80	269.32	5,351.0	626.7	-4,946.0	4,938.2	0.00	0.00	
10,200.0	90.80	269.32	5,349.6	625.5	-5,046.0	5,038.2	0.00	0.00	
10,300.0	90.80	269.32	5,348.2	624.3	-5,145.9	5,138.2	0.00	0.00	
10,400.0	90.80	269.32	5,346.8	623.1	-5,245.9	5,238.2	0.00	0.00	
10,473.5	90.80	269.32	5,345.8	622.3	-5,319.4	5,311.7	0.00	0.00	TD at 10473.5

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
ESCRITO M21-2409 01H	0.00	0.00	5,345.8	622.3	-5,319.4	1,927,636.89	2,726,946.66	36.297629	-107.820251
- plan hits target center									
- Point									
ESCRITO M21-2409 01H	0.00	0.00	5,409.9	676.7	-724.3	1,927,692.85	2,731,541.76	36.297780	-107.804657
- plan hits target center									
- Point									

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
500.0	500.0	9 5/8"	0	0
5,857.9	5,409.9	7" ICP	0	0

Planning Report

Database:	USA EDM 5000 Multi Users DB	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Company:	EnCana Oil & Gas (USA) Inc	TVD Reference:	KB @ 6969.0usft
Project:	San Juan County, NM	MD Reference:	KB @ 6969.0usft
Site:	S21-T24N-R9W	North Reference:	True
Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1		

Formations					
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
879.1	878.0	Ojo Alamo Ss.		-0.80	269.32
1,095.3	1,092.0	Kirtland Shale		-0.80	269.32
1,398.5	1,392.0	Fruitland Coal		-0.80	269.32
1,677.4	1,668.0	Pictured Cliffs Ss.		-0.80	269.32
1,833.0	1,822.0	Lewis Shale		-0.80	269.32
2,504.1	2,486.0	Cliffhouse Ss.		-0.80	269.32
3,233.7	3,208.0	Menefee Fn.		-0.80	269.32
4,172.5	4,137.0	Point Lookout Ss.		-0.80	269.32
4,364.5	4,327.0	Mancos Shale		-0.80	269.32
4,969.0	4,922.0	Mancos Silt		-0.80	269.32
5,251.7	5,166.0	Gallup Fn.		-0.80	269.32

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
500.0	500.0	0.0	0.0	KOP @ 500'
913.7	912.3	29.8	0.2	EOB; INC=8.27°
4,741.0	4,699.7	580.6	3.0	Start DLS 8.00 TFO -90.85
5,877.6	5,409.9	676.7	-724.3	LP @ 5409' TVD; 90.8°
10,473.5	5,345.8	622.3	-5,319.4	TD at 10473.5



EnCana Oil & Gas (USA) Inc

San Juan County, NM

S21-T24N-R9W

ESCRITO M21-2409 01H

OH

PLAN #1

Anticollision Report

01 July, 2015

Anticollision Report

Company:	EnCana Oil & Gas (USA) Inc	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Project:	San Juan County, NM	TVD Reference:	KB @ 6969.0usft
Reference Site:	S21-T24N-R9W	MD Reference:	KB @ 6969.0usft
Site Error:	0.0usft	North Reference:	True
Reference Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.0usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	USA EDM 5000 Multi Users DB
Reference Design:	PLAN #1	Offset TVD Reference:	Offset Datum

Reference	PLAN #1		
Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	MD Interval 100.0usft	Error Model:	Systematic Ellipse
Depth Range:	Unlimited	Scan Method:	Closest Approach 3D
Results Limited by:	Maximum center-center distance of 1,247.4usft	Error Surface:	Elliptical Conic
Warning Levels Evaluated at:	2.00 Sigma		

Survey Tool Program	Date 7/1/2015	
From (usft)	To (usft)	Survey (Wellbore)
0.0	10,473.5	PLAN #1 (OH)
		Tool Name
		MWD
		Description
		MWD - Standard

Summary						
Site Name	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Separation Factor	Warning
Offset Well - Wellbore - Design						
S21-T24N-R9W						
ESCRITO M21-2409 02H - OH - PLAN #1	500.0	500.0	29.9	26.7	9.422	CC, ES
ESCRITO M21-2409 02H - OH - PLAN #1	600.0	598.9	33.0	29.2	8.487	SF
S22-T24N-R9W						
NAGEEZI UNIT 101H - OH - PLAN #1	5,371.4	10,360.0	388.5	276.4	3.467	CC, ES, SF
NAGEZZI UNIT 103H - OH - PLAN #1	5,309.8	10,301.7	446.1	318.9	3.507	CC, ES, SF

Anticollision Report

Company:	EnCana Oil & Gas (USA) Inc	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Project:	San Juan County, NM	TVD Reference:	KB @ 6969.0usft
Reference Site:	S21-T24N-R9W	MD Reference:	KB @ 6969.0usft
Site Error:	0.0usft	North Reference:	True
Reference Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.0usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	USA EDM 5000 Multi Users DB
Reference Design:	PLAN #1	Offset TVD Reference:	Offset Datum

Offset Design S21-T24N-R9W - ESCRITO M21-2409 02H - OH - PLAN #1													Offset Site Error:	0.0 usft
Survey Program: 0-MWD													Offset Well Error:	0.0 usft
Reference		Offset		Semi Major Axis		Highside Toolface (°)	Distance		Total Uncertainty Axis	Separation Factor	Warning			
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)		Between Centres (usft)	Between Ellipses (usft)				Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)
0.0	0.0	0.0	0.0	0.0	0.0	-156.13	-27.3	-12.1	29.9					
100.0	100.0	100.0	100.0	0.2	0.2	-156.13	-27.3	-12.1	29.9	29.6	0.30	99.150		
200.0	200.0	200.0	200.0	0.5	0.5	-156.13	-27.3	-12.1	29.9	28.8	1.02	29.326		
300.0	300.0	300.0	300.0	0.9	0.9	-156.13	-27.3	-12.1	29.9	28.1	1.74	17.208		
400.0	400.0	400.0	400.0	1.2	1.2	-156.13	-27.3	-12.1	29.9	27.4	2.45	12.176		
500.0	500.0	500.0	500.0	1.6	1.6	-156.13	-27.3	-12.1	29.9	26.7	3.17	9.422 CC, ES		
600.0	600.0	598.9	598.9	1.9	1.9	-158.86	-29.0	-12.0	33.0	29.2	3.89	8.487 SF		
700.0	699.8	697.2	697.0	2.3	2.3	-163.94	-34.1	-11.9	42.9	38.2	4.65	9.215		
800.0	799.5	794.0	793.5	2.7	2.6	-168.61	-42.4	-11.7	59.6	54.1	5.43	10.969		
900.0	898.7	889.4	888.2	3.0	2.9	-171.96	-53.6	-11.5	83.0	76.8	6.18	13.430		
1,000.0	997.7	985.7	983.7	3.4	3.3	-174.10	-66.0	-11.2	109.7	102.8	6.84	16.029		
1,100.0	1,096.6	1,082.0	1,079.3	3.8	3.7	-175.41	-78.3	-10.9	136.5	129.0	7.51	18.184		
1,200.0	1,195.8	1,178.3	1,174.8	4.2	4.0	-176.29	-90.6	-10.6	163.3	155.1	8.18	19.972		
1,300.0	1,294.5	1,274.6	1,270.3	4.6	4.4	-176.92	-102.9	-10.4	190.2	181.3	8.86	21.475		
1,400.0	1,393.5	1,370.9	1,365.8	5.0	4.8	-177.40	-115.2	-10.1	217.1	207.5	9.54	22.754		
1,500.0	1,492.5	1,467.3	1,461.3	5.4	5.2	-177.77	-127.5	-9.8	244.0	233.7	10.23	23.852		
1,600.0	1,591.4	1,563.6	1,556.8	5.8	5.6	-178.06	-139.9	-9.5	270.9	259.9	10.92	24.804		
1,700.0	1,690.4	1,659.9	1,652.3	6.3	6.0	-178.31	-152.2	-9.3	297.8	286.1	11.61	25.637		
1,800.0	1,789.3	1,756.2	1,747.9	6.7	6.4	-178.51	-164.5	-9.0	324.7	312.4	12.31	26.371		
1,900.0	1,888.3	1,852.5	1,843.4	7.1	6.8	-178.68	-176.8	-8.7	351.6	338.6	13.01	27.022		
2,000.0	1,987.3	1,948.8	1,938.9	7.5	7.2	-178.83	-189.1	-8.4	378.5	364.8	13.71	27.603		
2,100.0	2,086.2	2,045.1	2,034.4	7.9	7.6	-178.96	-201.4	-8.1	405.4	391.0	14.41	28.125		
2,200.0	2,185.2	2,141.4	2,129.9	8.3	7.9	-179.07	-213.8	-7.9	432.3	417.2	15.12	28.596		
2,300.0	2,284.1	2,237.7	2,225.4	8.8	8.3	-179.17	-226.1	-7.6	459.3	443.4	15.82	29.024		
2,400.0	2,383.1	2,334.0	2,320.9	9.2	8.7	-179.26	-238.4	-7.3	486.2	469.6	16.53	29.413		
2,500.0	2,482.1	2,430.3	2,416.5	9.6	9.1	-179.33	-250.7	-7.0	513.1	495.9	17.24	29.769		
2,600.0	2,581.0	2,526.8	2,512.0	10.0	9.5	-179.41	-263.0	-6.7	540.0	522.1	17.94	30.096		
2,700.0	2,680.0	2,622.9	2,607.5	10.4	9.9	-179.47	-275.4	-6.5	566.9	548.3	18.65	30.396		
2,800.0	2,778.9	2,719.2	2,703.0	10.8	10.3	-179.53	-287.7	-6.2	593.9	574.5	19.36	30.675		
2,900.0	2,877.9	2,815.5	2,798.5	11.3	10.7	-179.58	-300.0	-5.9	620.8	600.7	20.07	30.932		
3,000.0	2,976.8	2,911.8	2,894.0	11.7	11.1	-179.63	-312.3	-5.6	647.7	626.9	20.78	31.171		
3,100.0	3,075.8	3,008.1	2,989.5	12.1	11.5	-179.68	-324.6	-5.3	674.6	653.2	21.49	31.394		
3,200.0	3,174.8	3,104.4	3,085.1	12.5	11.9	-179.72	-336.9	-5.1	701.6	679.4	22.20	31.603		
3,300.0	3,273.7	3,200.8	3,180.6	12.9	12.3	-179.76	-349.3	-4.8	728.5	705.6	22.91	31.797		
3,400.0	3,372.7	3,297.1	3,276.1	13.4	12.7	-179.79	-361.6	-4.5	755.4	731.8	23.62	31.980		
3,500.0	3,471.6	3,393.4	3,371.6	13.8	13.1	-179.82	-373.9	-4.2	782.4	758.0	24.33	32.152		
3,600.0	3,570.6	3,489.7	3,467.1	14.2	13.5	-179.85	-386.2	-3.9	809.3	784.2	25.05	32.313		
3,700.0	3,669.6	3,586.0	3,562.6	14.6	13.9	-179.88	-398.5	-3.7	836.2	810.5	25.76	32.465		
3,800.0	3,768.5	3,682.3	3,658.1	15.1	14.3	-179.91	-410.8	-3.4	863.1	836.7	26.47	32.609		
3,900.0	3,867.5	3,778.6	3,753.7	15.5	14.7	-179.94	-423.2	-3.1	890.1	862.9	27.18	32.745		
4,000.0	3,966.4	3,874.9	3,849.2	15.9	15.1	-179.96	-435.5	-2.8	917.0	889.1	27.89	32.874		
4,100.0	4,065.4	3,971.2	3,944.7	16.3	15.5	-179.98	-447.8	-2.6	943.9	915.3	28.61	32.997		
4,200.0	4,164.4	4,067.5	4,040.2	16.7	15.9	180.00	-460.1	-2.3	970.9	941.5	29.32	33.113		
4,300.0	4,263.3	4,163.8	4,135.7	17.2	16.3	179.97	-472.4	-2.0	997.8	967.7	30.03	33.223		
4,400.0	4,362.3	4,260.1	4,231.2	17.6	16.7	179.96	-484.8	-1.7	1,024.7	994.0	30.75	33.329		
4,500.0	4,461.2	4,356.4	4,326.7	18.0	17.1	179.94	-497.1	-1.4	1,051.6	1,020.2	31.46	33.429		
4,600.0	4,560.2	4,452.7	4,422.3	18.4	17.5	179.92	-509.4	-1.2	1,078.6	1,046.4	32.17	33.525		
4,700.0	4,659.1	4,549.0	4,517.8	18.8	17.9	179.90	-521.7	-0.9	1,105.5	1,072.6	32.89	33.616		
4,800.0	4,758.0	4,645.3	4,613.2	19.3	18.3	-149.21	-534.0	-0.6	1,132.4	1,098.8	33.60	33.703		
4,900.0	4,855.8	4,740.2	4,707.4	19.7	18.7	-120.28	-546.2	-1.5	1,158.9	1,124.6	34.30	33.789		
5,000.0	4,950.6	4,836.0	4,801.6	20.1	19.1	-107.75	-558.5	-13.1	1,184.9	1,149.9	35.00	33.850		
5,100.0	5,040.5	4,934.4	4,895.8	20.5	19.5	-101.00	-571.0	-38.1	1,209.9	1,174.1	35.75	33.844		

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

Anticollision Report

Company:	EnCana Oil & Gas (USA) Inc	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Project:	San Juan County, NM	TVD Reference:	KB @ 6969.0usft
Reference Site:	S21-T24N-R9W	MD Reference:	KB @ 6969.0usft
Site Error:	0.0usft	North Reference:	True
Reference Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.0usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	USA EDM 5000 Multi Users DB
Reference Design:	PLAN #1	Offset TVD Reference:	Offset Datum

Offset Design S21-T24N-R9W - ESCRITO M21-2409 02H - OH - PLAN #1												Offset Site Error:	0.0 usft
Survey Program: 0-MWD												Offset Well Error:	0.0 usft
Reference		Offset		Semi Major Axis		Distance							
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	+E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Total Uncertainty Axis	Separation Factor	Warning
5,200.0	5,123.8	5,035.8	4,988.4	20.9	19.9	-96.77	-583.5	-77.3	1,233.4	1,196.8	36.59	33.712	

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

Anticollision Report

Company:	EnCana Oil & Gas (USA) Inc	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Project:	San Juan County, NM	TVD Reference:	KB @ 6969.0usft
Reference Site:	S21-T24N-R9W	MD Reference:	KB @ 6969.0usft
Site Error:	0.0usft	North Reference:	True
Reference Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.0usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	USA EDM 5000 Multi Users DB
Reference Design:	PLAN #1	Offset TVD Reference:	Offset Datum

Offset Design S22-T24N-R9W - NAGEEZI UNIT 101H - OH - PLAN #1													Offset Site Error:	0.0 usft
Survey Program: 0-Geolink MWD													Offset Well Error:	0.0 usft
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N-S (usft)	+E-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Total Uncertainty Axis	Separation Factor	Warning	
4,400.0	4,382.3	10,298.6	5,311.3	17.6	127.6	-1.74	930.4	-2.5	1,154.2	1,102.2	51.97	22.209		
4,500.0	4,461.2	10,298.0	5,311.3	18.0	127.6	-1.60	930.4	-1.9	1,056.5	1,002.2	54.33	19.447		
4,600.0	4,560.2	10,297.4	5,311.3	18.4	127.6	-1.47	930.4	-1.4	959.4	902.2	57.20	16.773		
4,700.0	4,659.1	10,296.8	5,311.3	18.8	127.6	-1.33	930.4	-0.8	862.9	802.2	60.75	14.205		
4,800.0	4,758.0	10,296.7	5,311.3	19.3	127.6	42.65	930.4	-2.6	767.4	702.2	65.22	11.766		
4,900.0	4,855.8	10,313.3	5,311.3	19.7	128.0	86.30	930.4	-17.2	674.2	603.2	71.03	9.492		
5,000.0	4,950.6	10,341.5	5,311.1	20.1	128.7	105.81	930.4	-45.4	585.7	507.2	78.51	7.460		
5,100.0	5,040.5	10,360.0	5,311.0	20.5	129.2	117.34	930.4	-63.9	504.8	416.8	87.93	5.740		
5,200.0	5,123.8	10,360.0	5,311.0	20.9	129.2	125.41	930.4	-63.9	438.9	340.1	98.83	4.441		
5,300.0	5,198.9	10,360.0	5,311.0	21.3	129.2	129.76	930.4	-63.9	397.7	289.2	108.54	3.664		
5,371.4	5,246.6	10,360.0	5,311.0	21.7	129.2	131.22	930.4	-63.9	388.5	278.4	112.06	3.467	CC, ES, SF	
5,400.0	5,264.3	10,360.0	5,311.0	21.9	129.2	131.48	930.4	-63.9	390.0	277.7	112.28	3.474		
5,500.0	5,318.7	10,360.0	5,311.0	22.7	129.2	130.90	930.4	-63.9	417.7	309.6	108.14	3.863		
5,600.0	5,361.1	10,360.0	5,311.0	23.8	129.2	127.82	930.4	-63.9	474.2	374.6	99.58	4.762		
5,700.0	5,390.7	10,360.0	5,311.0	25.3	129.2	121.37	930.4	-63.9	549.9	459.2	90.69	6.063		
5,800.0	5,406.8	10,360.0	5,311.0	27.0	129.2	109.84	930.4	-63.9	636.7	553.4	83.25	7.648		
5,900.0	5,409.6	10,360.0	5,311.0	29.0	129.2	96.00	930.4	-63.9	729.3	651.8	77.54	9.405		
6,000.0	5,408.2	10,360.0	5,311.0	31.1	129.2	96.00	930.4	-63.9	824.1	751.0	73.12	11.270		
6,100.0	5,408.8	10,360.0	5,311.0	33.4	129.2	96.00	930.4	-63.9	920.0	850.4	69.60	13.217		
6,200.0	5,405.4	10,360.0	5,311.0	35.8	129.2	96.00	930.4	-63.9	1,016.6	949.9	66.75	15.230		
6,300.0	5,404.0	10,360.0	5,311.0	38.3	129.2	96.00	930.4	-63.9	1,113.9	1,049.5	64.41	17.294		
6,400.0	5,402.6	10,360.0	5,311.0	40.9	129.2	96.00	930.4	-63.9	1,211.6	1,149.2	62.46	19.399		

Anticollision Report

Company:	EnCana Oil & Gas (USA) Inc	Local Co-ordinate Reference:	Well ESCRITO M21-2409 01H
Project:	San Juan County, NM	TVD Reference:	KB @ 6969.0usft
Reference Site:	S21-T24N-R9W	MD Reference:	KB @ 6969.0usft
Site Error:	0.0usft	North Reference:	True
Reference Well:	ESCRITO M21-2409 01H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.0usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	USA EDM 5000 Multi Users DB
Reference Design:	PLAN #1	Offset TVD Reference:	Offset Datum

Offset Design S22-T24N-R9W - NAGEZZI UNIT 103H - OH - PLAN #1														Offset Site Error:	0.0 usft
Survey Program: D-Geolink MWD														Offset Well Error:	0.0 usft
Reference		Offset		Semi Major Axis			Distance		Total		Separation		Warning		
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	+E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Uncertainty Axis	Factor			
4,300.0	4,263.3	10,239.6	5,271.2	17.2	127.5	-179.27	280.2	-3.7	1,166.2	1,129.1	37.14	31.399			
4,400.0	4,362.3	10,239.1	5,271.2	17.6	127.5	-179.35	280.2	-3.1	1,072.8	1,031.9	40.92	26.221			
4,500.0	4,461.2	10,238.5	5,271.2	18.0	127.5	-179.43	280.2	-2.5	980.7	935.2	45.55	21.532			
4,600.0	4,560.2	10,237.9	5,271.2	18.4	127.5	-179.51	280.2	-2.0	890.3	839.0	51.24	17.373			
4,700.0	4,659.1	10,237.3	5,271.2	18.8	127.5	-179.60	280.2	-1.4	802.1	743.8	58.28	13.764			
4,800.0	4,758.0	10,239.2	5,271.2	19.3	127.5	-156.99	280.2	-3.2	717.1	650.1	66.99	10.705			
4,900.0	4,855.8	10,253.8	5,271.2	19.7	127.9	-138.06	280.2	-17.8	637.2	559.5	77.74	8.196			
5,000.0	4,950.6	10,282.0	5,271.0	20.1	128.6	-131.24	280.3	-46.0	565.4	474.8	90.61	6.240			
5,100.0	5,040.5	10,301.7	5,270.9	20.5	129.1	-129.10	280.3	-65.7	504.9	400.1	104.84	4.816			
5,200.0	5,123.8	10,301.7	5,270.9	20.9	129.1	-129.31	280.3	-65.7	463.0	345.0	118.04	3.923			
5,300.0	5,198.9	10,301.7	5,270.9	21.3	129.1	-128.54	280.3	-65.7	446.2	319.5	126.70	3.522			
5,309.8	5,205.7	10,301.7	5,270.9	21.4	129.1	-128.40	280.3	-65.7	446.1	318.9	127.18	3.507	CC, ES, SF		
5,400.0	5,264.3	10,301.7	5,270.9	21.9	129.1	-126.39	280.3	-65.7	457.6	329.5	128.06	3.573			
5,500.0	5,318.7	10,301.7	5,270.9	22.7	129.1	-122.52	280.3	-65.7	495.0	372.2	122.88	4.029			
5,600.0	5,361.1	10,301.7	5,270.9	23.8	129.1	-116.60	280.3	-65.7	552.7	438.3	114.32	4.834			
5,700.0	5,390.7	10,301.7	5,270.9	25.3	129.1	-108.28	280.3	-65.7	623.9	518.8	105.10	5.937			
5,800.0	5,406.8	10,301.7	5,270.9	27.0	129.1	-97.56	280.3	-65.7	703.6	607.0	96.58	7.285			
5,900.0	5,409.6	10,301.7	5,270.9	29.0	129.1	-88.00	280.3	-65.7	787.8	698.7	89.17	8.635			
6,000.0	5,408.2	10,301.7	5,270.9	31.1	129.1	-88.00	280.3	-65.7	875.2	792.2	82.96	10.549			
6,100.0	5,406.8	10,301.7	5,270.9	33.4	129.1	-88.00	280.3	-65.7	965.0	887.2	77.78	12.407			
6,200.0	5,405.4	10,301.7	5,270.9	35.8	129.1	-88.00	280.3	-65.7	1,056.6	983.1	73.43	14.389			
6,300.0	5,404.0	10,301.7	5,270.9	38.3	129.1	-88.00	280.3	-65.7	1,149.6	1,079.8	69.76	16.480			
6,400.0	5,402.6	10,301.7	5,270.9	40.9	129.1	-88.00	280.3	-65.7	1,243.7	1,177.1	66.63	18.666			

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Anticollision Report

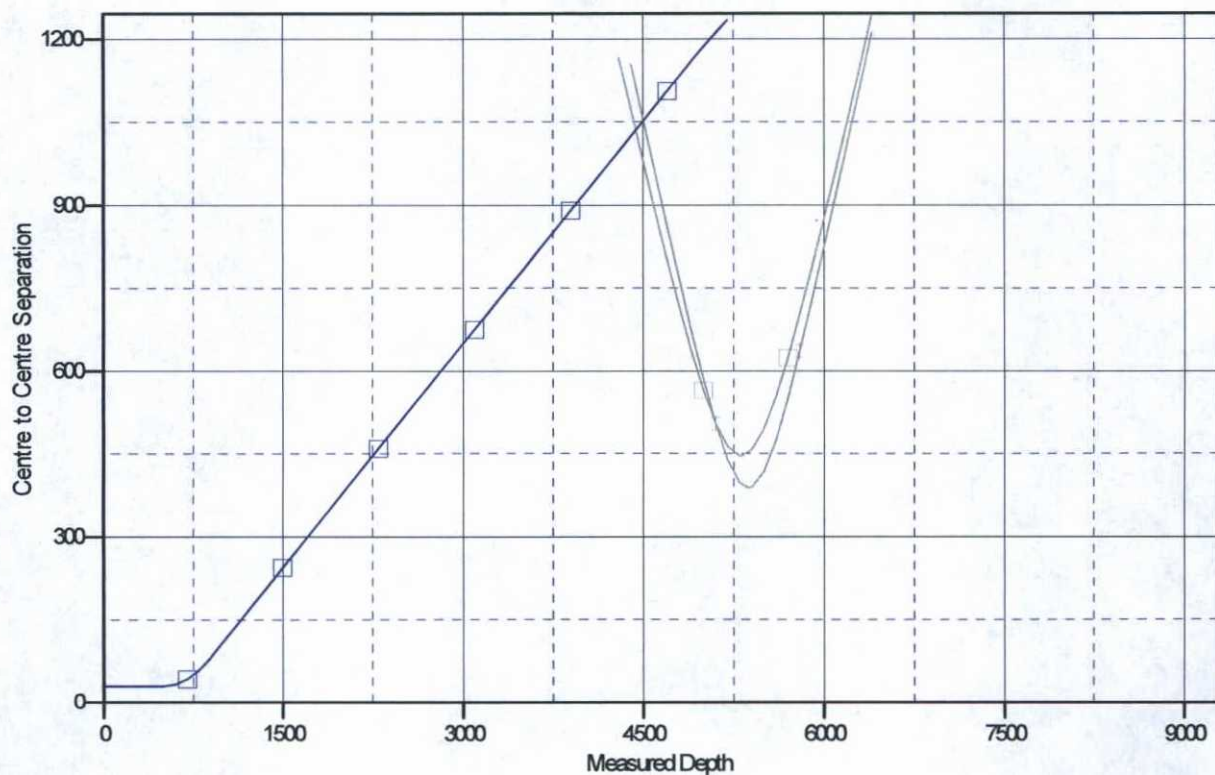
Company: EnCana Oil & Gas (USA) Inc
 Project: San Juan County, NM
 Reference Site: S21-T24N-R9W
 Site Error: 0.0usft
 Reference Well: ESCRITO M21-2409 01H
 Well Error: 0.0usft
 Reference Wellbore: OH
 Reference Design: PLAN #1

Local Co-ordinate Reference:
 TVD Reference: KB @ 6969.0usft
 MD Reference: KB @ 6969.0usft
 North Reference: True
 Survey Calculation Method: Minimum Curvature
 Output errors are at: 2.00 sigma
 Database: USA EDM 5000 Multi Users DB
 Offset TVD Reference: Offset Datum

Reference Depths are relative to KB @ 6969.0usft
 Offset Depths are relative to Offset Datum
 Central Meridian is -107.833333°

Coordinates are relative to: ESCRITO M21-2409 01H
 Coordinate System is US State Plane 1983, New Mexico Western Zone
 Grid Convergence at Surface is: 0.02°

Ladder Plot



LEGEND

—■— NAGEEZI UNIT 101H, CH, PLAN#1 V0 - - - ■ - - - NAGEZZI UNIT 103H, CH, PLAN#1 V0 —■— ESCRITO M21-2409 02H, CH, PLAN#1 V0

Escrito M21-2409 01H

**SHL: SWSW Section 21, T24N, R9W
1,300' FSL and 396' FWL**

**BHL: NWSW Section 20, T24N, R9W
1,980' FSL and 330' FWL**

San Juan County, New Mexico

Lease Number: NMNM 10755

7. METHODS FOR HANDLING WASTE

A. Cuttings

1. A closed-loop system will be used. Cuttings will be moved through a shaker system on the drill rig that separates drilling fluids from the cuttings. Cuttings will be stored onsite in above-ground storage tanks. Cuttings will be pulled from the storage tanks, mixed with saw dust or similar absorbent material, and disposed of at the Envirotech, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.
2. The closed-loop system storage tanks will be adequately sized to ensure confinement of all fluids and will provide sufficient freeboard to prevent uncontrolled releases.
3. A 20-mil liner will be installed under tanks, pumps, ancillary facilities, and truck loading/unloading areas associated with the closed-loop system.

B. Drilling Fluids

1. A closed-loop system will be used. Drilling fluids will be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. Residual fluids will be vacuumed from the storage tanks and disposed of at Basin Disposal, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.
2. The closed-loop system storage tanks will be adequately sized to ensure confinement of all fluids and will provide sufficient freeboard to prevent uncontrolled releases.
3. The closed-loop system storage tanks will be placed in bermed secondary containment sized to accommodate a minimum of 110 percent of the volume of the largest storage tank.
4. A 20-mil liner will be installed under tanks, pumps, ancillary facilities, and truck loading/unloading areas associated with the closed-loop system.

C. Flowback Water

1. The water-based solution that flows back to the surface during and after completion operations will be placed in storage tanks on the location.
2. Flowback water will be confined to a storage tank for a period not to exceed 90 days after initial production and will be disposed of at Basin Disposal, Inc. and/or Industrial Ecosystem, Inc. waste disposal facilities.

D. Spills – any spills of non-freshwater fluids will be immediately cleaned up and removed to an approved disposal site. Encana will also notify the BLM within 24 hours of any spill.

E. Sewage – self-contained, chemical toilets will be provided for human waste disposal. The toilet holding tanks will be pumped, as needed, and the contents thereof disposed of in an approved sewage disposal facility. The toilets will be onsite during all operations.

F. Garbage and other waste material – garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash container during drilling and completion operations. The accumulated trash will be removed, as needed, and will be disposed of at an authorized sanitary landfill. No trash will be buried or burned on location.

ENCANA OIL & GAS (USA) INC.

ESCRITO M21-2409 #01H

1300' FSL & 396' FWL

LOCATED IN THE SW/4 SW/4 OF SECTION 21, T24N, R9W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, TRAVEL SOUTH FOR 32.0 MILES. (M.P. 119.6).
- 2) TURN RIGHT ON DIRT ROAD AND GO 0.9 MILES TO WHERE ACCESS IS STAKED ON RIGHT SIDE OF ROAD.

WELL FLAG LOCATED AT LAT. 36.295921° N, LONG. 107.802199° W (NAD 83).



WELLHEAD BLOWOUT CONTROL SYSTEM

encana

Well Name and Number:
Escrito M21-2409 01H

