State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Tony Delfin Acting Cabinet Secretary

NMOCD Approved by Signature

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: 11-13-14 Well information;
Operator Encure, Well Name and Number Hutton Conyon Unit
API#30.045.35004, Section 1, Township 23 (N)S, Range 8 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
O Submit Gas Capture Plan form prior to spudding or initiating recompletion operations
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.

1220 South St. Francis Drive • Santa Fe, New Mexico 87505

Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

23

DEC 1 1 2014

Form 3160-3 (August 2007)

13	-	6.		V	D
				*	

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

UNITED STATES							
DEPARTMENT OF THE I	The state of the s	4 2014	5. Lease Serial No. NMNM 118132 & NMNM	1 76842			
APPLICATION FOR PERMIT TO I			6. If Indian, Allotee or Tri	be Name			
la. Type of work: DRILL REENTE	Type of work:						
		ı	8. Lease Name and Well N	0.			
lb. Type of Well: Oil Well Gas Well Other	✓ Single Zone Multip	ole Zone	Hutton Canyon Unit M11	-2308 03H			
Name of Operator Encana Oil & Gas (USA) Inc.			9. API Well No. 30-045-3				
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. (include area code) 720-876-3533		10. Field and Pool, or Explora PENDING	atory			
4. Location of Well (Report location clearly and in accordance with any	State requirements.*)		11. Sec., T. R. M. or Blk. and	Survey or Area			
At surface 383' FSL and 225' FWL Section 11, T23N, R8		SHI	Section 11, T23N, R8				
At proposed prod. zone 330' FSL and 400' FWL Section 1		BHL	.: Sec 13, T23	N. R&W			
14. Distance in miles and direction from nearest town or post office*			12. County or Parish	13. State			
+/- 46.1 miles southwest of the intersection of US Hwy 550	& US Hwy 64 in Bloomfield, N	М	San Juan	NM			
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease NMNM 118132 - 2,320 ac. NMNM 76842 - 2,560 ac.	2,560 ac	Spacing Unit dedicated to this well 60 acres- Sec 11,13,14 T23N, R8W d Sec 18 T23N R7W				
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. +/-30' S of HuttonCanyon Unit M11-2308 02H	19. Proposed Depth 5,183' TVD/13,885' MD	20. BLM/E COB-00	M/BIA Bond No. on file 000235				
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will sta	rt*	23. Estimated duration				
6,905' GL, 6,920' KB	05/12/2015		20 days				
	24. Attachments						
The following, completed in accordance with the requirements of Onshor	e Oil and Gas Order No.1, must be a	ttached to the	is form:				
 Well plat certified by a registered surveyor. A Drilling Plan. 	Item 20 above).	•	ns unless covered by an existing	ng bond on file (see			
3. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).			ormation and/or plans as may l	be required by the			
25. Signature source shirt	Name (Printed/Typed) Rosalie Thim		Date	13/14			
Title Regulatory Analyst				' /			
Approved by (Signature) Manlies (10)	Name (Printed/Typed)		Date	11/28/1			
Title	Office FFO			,			
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equitable title to those righ	nts in the sub	ject lease which would entitle t	the applicant to			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr	rime for any person knowingly and	willfully to n	nake to any department or ager	ncy of the United			

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2) ATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

*(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



OIL CONS. DIV DIST. 3

DEC 11 2014

DISTRICT 1
1825 N. French Dr., Hobbs, M.M. 88240
Phone: (576) 393-6161 Fax: (576) 393-0720
DISTRICT II
611 S. First St., Artesia, N.M. 88210
Phone: (576) 748-1283 Fax: (576) 748-9720
DISTRICT III
1000 Ric Brazos Rd., Astec, N.M. 87410
Phone: (506) 384-6178 Fax: (506) 334-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 67505
Phone: (506) 476-3460 Fax: (506) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

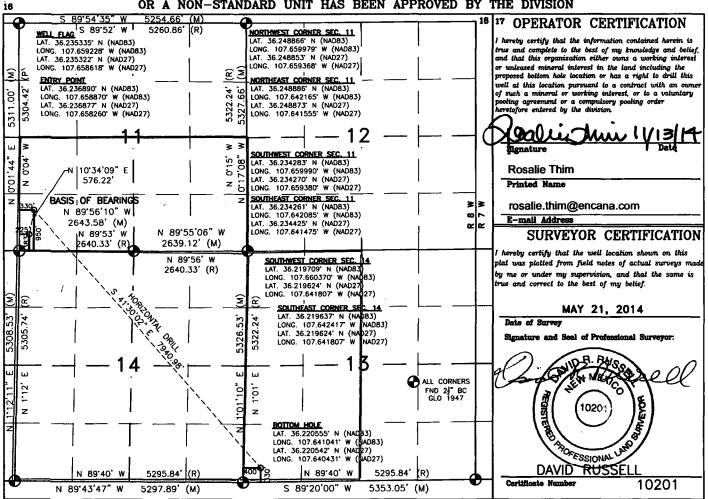
Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

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

☐ AMENDED REPORT

			WELL :	LOCATIO	ON AND A	CREAGE DED	ICATION P	LAT		
¹ API	Number		Pool Code PENDING PENDING PENDING							
⁴ Property C	ode		⁶ Property Name							
				HUTTON	I CANYON UN	IT M11-2308		ì	03H	
OGRID No	э.			· · · · · ·	⁰ Operator	Name	-		⁹ Elevation	
282327	,			ENCANA	OIL & GAS	(USA) INC.		1	6905.3'	
					10 Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West 1	ine County	
<u> </u>	11	23N	8W		383'	SOUTH	225'	WEST	SAN JUAN	
			11 Bott	om Hole	Location 1	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 l	ine County	
M	13	23N	8W		330'	SOUTH	400'	WEST	SAN JUAN	
Dedicated Acre	PROJEC	T AREA	¹⁹ Joint or	Infill	¹⁴ Consolidation	Code	¹⁵ Order No.		- 	
UNDIVIDED UNIT: 2500 ACERS SEC. 11, 13, 14 (723N, R8W) AND SEC. 16 (723N, R7W) PENETRATED SPACING UNIT: 1780 ACERS ALL										
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										
S 89'54'35" W 5254.66' (M) WELL FLAG'S 89'52' W 5260.86' (R) NORTHWEST CORNER SEC. 11										



SHL: 383' FSL, 225' FWL Sec 11 23N 08W BHL: 330' FSL, 400' FWL Sec 13 23N 08W

San Juan, New Mexico

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.	991
Kirtland Shale	1,081
Fruitland Coal	1,354
Pictured Cliffs Ss.	1,587
Lewis Shale	1,686
Cliffhouse Ss.	2,387
Menefee Fn.	3,140
Point Lookout Ss.	3,995
Mancos Shale	4,191
Mancos Silt	4,726
Gallup Fn.	4,984
Base Gallup	5,339

The referenced surface elevation is 6905', KB 6920'

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

Substance	Formation	Depth (TVD) units = feet
Water/Gas	Fruitland Coal	1,354
Oil/Gas	Pictured Cliffs Ss.	1,587
Oil/Gas	Cliffhouse Ss.	2,387
Gas	Menefee Fn.	3,140
Oil/Gas	Point Lookout Ss.	3,995
Oil/Gas	Mancos Shale	4,191
Oil/Gas	Mancos Silt	4,726
Oil/Gas	Gallup Fn.	4,984

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

SHL: 383' FSL, 225' FWL Sec 11 23N 08W BHL: 330' FSL, 400' FWL Sec 13 23N 08W

San Juan, New Mexico

3. PRESSURE CONTROL

- a) Pressure contol 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).
- I) 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'-5500'	8 3/4"	7"	26#	J55, LTC New
Production Liner	5400'-13885'	6 1/8"	4 1/2"	11.6#	B80*, LTC New

Casing String			Casing Strength Properties			Minimum Design Factors			
Size	Weight (ppf)	Grade	Connectio n	Collapse (psi)	Burst (psi)	Tensile (1000lbs)	Collapse	Burst	Tensio n
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.

SHL: 383' FSL, 225' FWL Sec 11 23N 08W BHL: 330' FSL, 400' FWL Sec 13 23N 08W

San Juan, New Mexico

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	Cement Volume	Cement Type & Yield	Designed	Centralizers
	(MD)	(sacks)	<u> </u>	TOC	
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'-5500'	100% open hole excess Stage 1 Lead: 512 sks Stage 1 Tail: 391 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	5400'- 13885'	50% OH excess Stage 1 Blend Total: 471sks	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 1800'. Directional plans are attached.

Description	Proposed Depth (TVD/MD)	Formation		
Horizontal Lateral TD	5183'/13885'	Gallup		

SHL: 383' FSL, 225' FWL Sec 11 23N 08W BHL: 330' FSL, 400' FWL Sec 13 23N 08W

San Juan, New Mexico

6. DRILLING FLUIDS PROGRAM

a) Surface through Intermediate Casing Point:

		•		Viscosity	
Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	(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'-5136'/5500	Fresh Water LSND	8.3-10	40-50	8-10

b) Intermediate Casing Point to TD:

				Viscosity	
Hole Size (in)	Depth (TVD/MD)	Mud Type	Density (ppg)	(sec/qt)	Fluid Loss (cc)
	5136'/5500'-		<u>.</u>		
6 1/8"	5183'/13885'	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 +/- 2463 psi based on a 9.0 ppg at 5262' 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

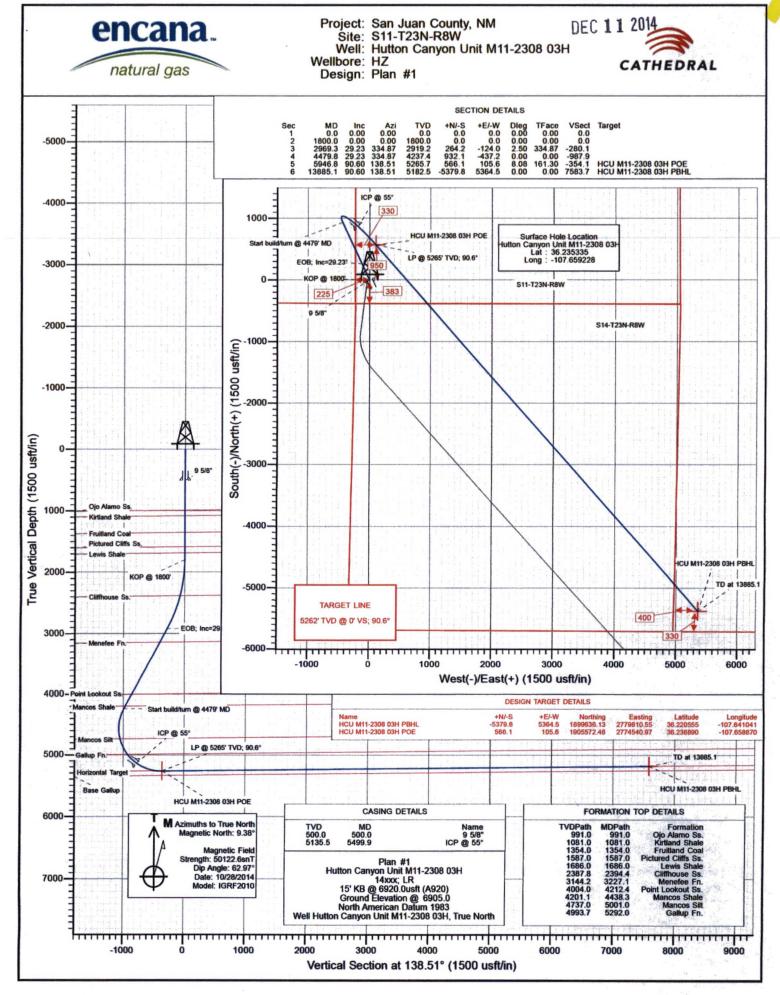
Drilling is estimated to commence on May 12, 2015. It is anticipated that completion operations will begin within 30 days after the well has been drilled depending on fracture treatment schedules with various pumping service companies.

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

	-	Sec 11 23N 08W		End	cana N	latural (Gas			ENG: Sydney Kuyke	11/12/14
county: San					MEII Q	UMMAR				RIG: Aztec 920	
WELL: Hutto	on Canyon Un	it M11-2308 03H			WELL 3	UNINAN	•			GLE: 6905.3 RKBE: 6919.8	
MWD	OPEN HOLE		DEPTH					HOLE	CASING	MW	DEVIATION
LWD	LOGGING	FORM	TVD	MD				SIZE	SPECS	MUD TYPE	INFORMATION
LVVD	LOGGING	FORM	1 145	, mo		TIT		T	37203	I IIIOD I I I E	I III OKIZATION
				1	Ш			1	16" 42,09#		
			60	60.	Ш	111		26	100sx Type I Neat 16.0ppg cmt	Fresh wtr 8.3-9.2	
		San Jose Fn.	0	"	11		-	1	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
Multi-Well pad -					H	11	,	Į	9 5/8" 36ppf J55 STC	Fresh wtr	
take survey every stand					11	11		ĺ	9 3/6 36ppi 333 31C	riesii wu	Vertical
and run anti-	None				11	H		12 1/4	TOC Surface with 100% OH Excess:	8.3-10	<1°
collision report prior to					H	11		'- ''-	228 sks Type III Cement + 1% bwoc	0.5-10	
spud		Nacimiento Fn.	surface		Ш			ì	Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.2% bwoc FL-52A + 58.9%		
		9 5/8" Csg	500	500.00	11	11			Fresh Water.		
		Ojo Alamo Ss.	991			'		1			
		Kirtland Shale	1,081						7" 26ppf J55 LTC	Fresh Wtr	
	No OH logs	Fruitland Coal	1,354			1			/ 20ppi 355 E1C	rresn vvtr	
Survey Every	ŭ					1			TOC @ surface		Vertical
60'-120', updating		Pictured Cliffs Ss.	1,587						(100% OH excess - 70% Lead 30%	8.3-10	<1°
anticollision		Lewis Shale	1,686					8 3/4	Tail) Stage 1 Total: 903sks		
report after		Cliffhouse Ss.	2,387			1	•	1	Clago Frotal Cocolo		
surveys. Stop operations and		Menefee Fn.	3,140					1	Stage 1 Lead: 512 sks Premium Lite		
ontact drilling						1			FM + 3% CaCl2 + 0.25/sk Cello Flake	İ	
engineer if separation		Point Lookout Ss. Mancos Shale	3,995 4,191		ŀ				+ 5#/sk LCM-1 + 8% Bentonite + 0.4%		
factor		Maricus Shale	4,191					1	FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.	1	
approaches 1.5								ł	Wilde at 12.1 ppg. Hold 2.10 dalugh.		
1.5	Mud logger	КОР	1,800	1,800		\		1			
	onsite				1	1		•	Stage 1 Tail: 391 sks Type III Cement +		
					 	\		}	1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield		
Surveys every		Mancos Silt	4,726		, ,	<i>\</i>		1	1.38 cuft/sk.		
30' through				i i		1 1					
the curve							\	i			
		Gallup Fn.	4.984			1	1		•		
		Gallup Fn.	4,964			\ \ \	<i>\ \\</i>				
		7" Csg	5,136	5,500		,	11 11				
			.,				./ /_				Horz Inc/TVD
Surveys every							- \ \	6 1/8	100' overlap at liner top		90.6deg/5261.8ft
stand to TD		Horizontal Target	5,262				()		<u> </u>	<u> </u>	
untess directed		TD	5,183	13,885			/		8385' Drilled Lateral		TD = 13885.1 MD
otherwise by	No OH Logs	Base Gallup	5,339	i i						WBM	
Geologist	140 Off Logs	Dase Gallop	3,333						4 1/2" 11.6ppf SB80 LTC	8.3-10	
]					The Thoppi obou 210	5.5.0	
			1						TOC @ hanger		ł
									(50% OH excess) Stage 1 Total: 471sks		
MWD											
Gamma										i	
Directional									Stage 1 Blend: 471 sks Premium Lite High Strength FM + 0.7% bwoc R-3 + 3% bwow		
									Potassium Chloride + 0.25lbs/sack Cello		
	ľ							l ·	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.		
	l i			1				I			1

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 1800', 8 3/4 inch holesize
- 5) Start curve at 10deg/100' build rate
- 6) Drill to csg point of 5500' MD
- 7) R&C 7" csg, circ cmt to surface
- 8) Land at ~90 deg, drill lateral to 13885' run 4 1/2 inch cemented liner



Database: Company: Project: USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc

Site:

San Juan County, NM S11-T23N-R8W

Well:

Hutton Canyon Unit M11-2308 03H

Wellbore: Design:

HZ Plan #1 **Local Co-ordinate Reference:**

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

Minimum Curvature

Project

San Juan County, NM

Map System: Geo Datum:

US State Plane 1983 North American Datum 1983 New Mexico Western Zone

System Datum:

Mean Sea Level

Map Zone:

Site

S11-T23N-R8W

Site Position:

Northing: Easting:

1,904,986.18 usft

Latitude:

36.235280

From: **Position Uncertainty:** Lat/Long

2,774,415.21 usft Slot Radius:

13-3/16"

Longitude: **Grid Convergence:** -107.659300

0.10 °

Well **Well Position**

Wellbore

Hutton Canyon Unit M11-2308 03H +N/-S

0.0 usft

0.0 usft

Northing:

1,905,006.24 usft

9.38

Latitude:

36.235335

Position Uncertainty

+E/-W 0.0 usft 0.0 usft

IGRF2010

Easting: Wellhead Elevation: 2,774,436.41 usft 0.0 usft Longitude: **Ground Level:** -107.659228 6,905.0 usft

HZ

Plan #1

Model Name Magnetics

Sample Date

10/28/2014

Declination (°)

Dip Angle

Field Strength (nT)

50,123

Design

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.0

62.97

Vertical Section:

Depth From (TVD) (usft) 0.0

+N/-S (usft) 0.0

(usft) 0.0

Direction (°) 138.51

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	
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,969.3	29.23	334.87	2,919.2	264.2	-124.0	2.50	2.50	0.00	334.87	
4,479.8	29.23	334.87	4,237.4	932.1	-437.2	0.00	0.00	0.00	0.00	
5,946.8	90.60	138.51	5,265.7	566.1	105.6	8.08	4.18	11.15	161.30	HCU M11-2308 03
13,885.1	90.60	138.51	5,182.5	-5,379.8	5,364.5	0.00	0.00	0.00	0.00	HCU M11-2308 03

Database: Company: Project: Site: USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc San Juan County, NM

te: S11-T23N-R8W
Hutton Canyon Unit M11-2308 03H

Well: Hutton C Wellbore: HZ Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

easured			Vertical			Vertical	Dogleg	Build	Comments /
Depth (usft)	Inclination (°)	Azimuth	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft	Rate (°/100u	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	9 5/8"
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	3 3/0
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	
						0.0	0.00	0.00	
800.0 900.0	0.00	0.00	800.0 900.0	0.0	0.0	0.0	0.00	0.00	
									o: 41 - 0
991.0	0.00	0.00	991.0	0.0	0.0	0.0	0.00		Ojo Alamo Ss.
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	
1,081.0	0.00	0.00	1,081.0	0.0	0.0	0.0	0.00		Kirtland Shale
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	
1,354.0	0.00	0.00	1,354.0	0.0	0.0	0.0	0.00		Fruitland Coal
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	
1,587.0	0.00	0.00	1,587.0	0.0	0.0	0.0	0.00	0.00	Pictured Cliffs Ss.
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	
1,686.0	0.00	0.00	1,686.0	0.0	0.0	0.0	0.00		Lewis Shale
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00		KOP @ 1800'
1,900.0	2.50	334.87	1,900.0	2.0	-0.9	-2.1	2.50	2.50	
2,000.0	5.00	334.87	1,999.7	7.9	-3.7	-8.4	2.50	2.50	
2,100.0	7.50	334.87	2,099.1	17.8	-8.3	-18.8	2.50	2.50	
2,200.0	10.00	334.87	2,198.0	31.5	-14.8	-33.4	2.50	2.50	
2,300.0	12.50	334.87	2,296.0	49.2	-23.1	-52.1	2.50	2.50	Cliffbaues Sa
2,394.4	14.86	334.87	2,387.8	69.4	-32.6	-73.5	2.50		Cliffhouse Ss.
2,400.0	15.00	334.87	2,393.2	70.7	-33.2	-74.9	2.50	2.50	
2,500.0	17.50	334.87	2,489.2	96.0	-45.0	-101.8	2.50	2.50	
2,600.0	20.00	334.87	2,583.8	125.1	-58.7	-132.6	2.50	2.50	
2,700.0	22.50	334.87	2,677.0	157.9	-74.1	-167.4	2.50	2.50	
2,800.0	25.00	334.87	2,768.6	194.4	-91.2	-206.0	2.50	2.50	
2,900.0	27.50	334.87	2,858.2	234.4	-110.0	-248.5	2.50	2.50	
2,969.3	29.23	334.87	2,919.2	264.2	-124.0	-280.1	2.50	2.50	EOB; Inc=29.23°
3,000.0	29,23	334.87	2,946.0	277.8	-130.3	-294.4	0.00	0.00	
3,100.0	29.23	334.87	3,033.3	322.0	-151.1	-341.3	0.00	0.00	
3,200.0	29.23	334.87	3,120.5	366.2	-171.8	-388.2	0.00	0.00	
3,227.1	29.23	334.87	3,144.2	378.2	-177.4	-400.9	0.00	0.00	Menefee Fn.
3,300.0	29.23	334.87	3,207.8	410.5	-192.5	-435.0	0.00	0.00	
3,400.0	29.23	334.87	3,295.1	454.7	-213.3	-481.9	0.00	0.00	
3,500.0	29.23	334.87	3,382.3	498.9	-234.0	-528.7	0.00	0.00	
3,600.0	29.23	334.87	3,469.6	543.1	-254.8	-575.6	0.00	0.00	
3,700.0	29.23	334.87	3,556.9	587.3	-275.5	-622.4	0.00	0.00	
3,800.0	29.23	334.87	3,644.1	631.5	-296.2	-669.3	0.00	0.00	
3,900.0	29.23	334.87	3,731.4	675.7	-317.0	-716.2	0.00	0.00	
4,000.0	29.23	334.87	3,818.7	719.9	-337.7	-763.0	0.00	0.00	
4,100.0	29.23	334.87	3,905.9	764.2	-358.4	-809.9	0.00	0.00	
4,200.0	29.23	334.87	3,993.2	808.4	-379.2	-856.7	0.00	0.00	
4,212.4	29.23	334.87	4,004.0	813.9	-381.8	-862.6	0.00	0.00	Point Lookout Ss.

Database: Company: Project:

Site:

USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc San Juan County, NM

S11-T23N-R8W

Well: Wellbore: Design:

Hutton Canyon Unit M11-2308 03H

HZ Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

d Surve	y		AND PERSON						
asured Depth (usft)	Inclination	Azimuth	Vertical Depth (usft)	+N/-S	+E/-W	Vertical Section (usft)	Dogleg Rate (°/100usft	Build Rate (°/100u	Comments / Formations
usity	(°)	(°)	(usit)	(usft)	(usft)	(usit)	(/ Ioousit	1 Aloou	
4,300.0	29.23	334.87	4,080.5	852.6	-399.9	-903.6	0.00	0.00	
4,400.0	29.23	334.87	4,167.7	896.8	-420.7	-950.4	0.00	0.00	
4,438.3	29.23	334.87	4,201.1	913.7	-428.6	-968.4	0.00	0.00	Mancos Shale
4,479.8	29.23	334.87	4,237.4	932.1	-437.2	-987.9	0.00	0.00	Start build/turn @ 4479' MD
1,500.0	27.69	335.99	4,255.1	940.8	-441.2	-997.1	8.08	-7.63	_
4,600.0	20.25	343.86	4,346.4	978.7	-455.5	-1,034.9	8.08	-7.44	
1,700.0	13.53	359.63	4,442.1	1,007.1	-460.4	-1,059.4	8.08	-6.72	
1,800.0	9.24	35.50	4,540.2	1,025.4	-455.8	-1,070.1	8.08	-4.29	
1,900.0	10.82	82.39	4,638.9	1,033.2	-441.8	-1,066.6	8.08	1.58	
5,000.0	16.69	106.48	4,736.0	1,030.3	-418.7	-1,049.2	8.08	5.86	
5,001.0	16.75	106.63	4,737.0	1,030.3	-418.4	-1,048.9	8.08		Mancos Silt
5,100.0	23.86	117.41	4,829.8	1,016.9	-386.9	-1,018.1	8.08	7.18	
5,200.0	31.45	123.39	4,918.3	993.2	-347.1	-974.0	8.08	7.60	
5,292.0	38.60	126.96	4,993.7	962.7	-304.1	-922.6	8.08	7 77	Gallup Fn.
5,300.0	39.23	127.22	4,999.9	959.7	-300.1	-922.0	8.08	7.82	Samp i iii
5,400.0	47.09	129.94	5,072.8	917.0	-246.7	-850.3	8.08	7.86	
5,499.9	55.00	132.04	5,135.5	866.0	-188.2	-773.4	8.08		ICP @ 55°
5,500.0	55.01	132.04	5,135.6	866.0	-188.1	-773.3	8.08	7.93	
5,600.0	62.95	133.77	5,187.1	807.6	-125.5	-688.1	8.08	7.94	
5,700.0	70.91	135.27	5,226.2	743.1	-59.9	-596.4	8.08	7.96	
5,800.0	78.88	136.63	5,252.3	673.8	7.1	-500.0	8.08	7.97	
,900.0	86.86	137.92	5,264.7	601.0	74.4	-400.9	8.08	7.98	
5,946.8	90.60	138.51	5,265.7	566.1	105.6	-354.1	8.08		LP @ 5265' TVD; 90.6°
0.000,	90.60	138.51	5,265.1	526.2	140.8	-300.9	0.00	0.00	
5,100.0	90.60	138.51	5,264.1	451.3	207.0	-200.9	0.00	0.00	
5,200.0	90.60	138.51	5,263.0	376.4	273.3	-100.9	0.00	0.00	
5,300.0	90.60	138.51	5,262.0	301.5	339.5	-0.9	0.00	0.00	
,400.0	90.60	138.51	5,261.0	226.6	405.8	99.1	0.00	0.00	
5,500.0	90.60	138.51	5,259.9	151.7	472.0	199.1	0.00	0.00	
6,600.0	90.60	138.51	5,258.9	76.8	538.3	299.0	0.00	0.00	
5,700.0	90.60	138.51	5,257.8	1.9	604.5	399.0	0.00	0.00	
0.008,6	90.60	138.51	5,256.8	-73.0	670.8	499.0	0.00	0.00	
6,900.0	90.60	138.51	5,255.7	-147.9	737.0	599.0	0.00	0.00	
7,000.0	90.60	138.51	5,254.7	-222.8	803.3	699.0	0.00	0.00	
7,100.0	90.60	138.51	5,253.6	-297.7	869.5	799.0	0.00	0.00	
7,200.0	90.60	138.51	5,252.6	-372.6	935.8	899.0	0.00	0.00	
7,300.0	90.60	138.51	5,251.5	-447.5	1,002.0	999.0	0.00	0.00	
7,400.0	90.60	138.51	5,250.5	-522.4	1,068.3	1,099.0	0.00	0.00	
7,500.0	90.60	138.51	5,249.4	-597.3	1,134.5	1,199.0	0.00	0.00	
7,600.0	90.60	138.51	5,248.4	-672.2	1,200.8	1,299.0	0.00	0.00	
7,700.0	90.60	138.51	5,247.3	-747.1	1,267.0	1,399.0	0.00	0.00	
7,800.0	90.60	138.51	5,246.3	-822.0	1,333.2	1,499.0	0.00	0.00	
,900.0	90.60	138.51	5,245.2	-896.9	1,399.5	1,599.0	0.00	0.00	
3,000.0	90.60	138.51	5,244.2	-971.8	1,465.7	1,699.0	0.00	0.00	
3,100.0	90.60	138.51	5,243.1	-1,046.7	1,532.0	1,799.0	0.00	0.00	
3,200.0	90.60	138.51	5,242.1	-1,121.6	1,598.2	1,899.0	0.00	0.00	
3,300.0	90.60	138.51	5,241.0	-1,196.5	1,664.5	1,999.0	0.00	0.00	
3,400.0	90.60	138.51	5,240.0	-1,271.4	1,730.7	2,098.9	0.00	0.00	
,500.0	90.60	138.51	5,238.9	-1,346.3	1,797.0	2,198.9	0.00	0.00	
3,600.0	90.60	138.51	5,237.9	-1,421.2	1,863.2	2,298.9	0.00	0.00	
3,700.0	90.60	138.51	5,236.8	-1,496.1	1,929.5	2,398.9	0.00	0.00	
8,800.0	90.60	138.51	5,235.8	-1,571.0	1,995.7	2,498.9	0.00	0.00	

Database: Company: Project: Site: USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc San Juan County, NM

S11-T23N-R8W

Well: Hutton Canyon Unit M11-2308 03H

Wellbore: HZ Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

leasured			Vertical			Vertical	Dogleg	Build	Comments /
Depth (usft)	Inclination (°)	Azimuth	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft	Rate (°/100u	Formations
8,900.0	90.60	138.51	5,234.7	-1,645.9	2,062.0	2,598.9	0.00	0.00	
9,000.0	90.60	138.51	5,233.7	-1,720.8	2,128.2	2,698.9	0.00	0.00	
9,100.0	90.60	138.51	5,232.7	-1,795.7	2,120.2	2,798.9	0.00	0.00	
9,200.0	90.60	138.51	5,231.6	-1,870.6	2,260.7	2,898.9	0.00	0.00	
9,300.0	90.60	138.51	5,230.6	-1,945.5	2,327.0	2,998.9	0.00	0.00	
9,400.0	90.60	138.51	5,229.5	-2,020.4	2,393.2	3,098.9	0.00	0.00	
								0.00	
9,500.0	90.60	138.51	5,228.5	-2,095.3	2,459.5	3,198.9	0.00		
9,600.0	90.60	138.51	5,227.4	-2,170.2	2,525.7	3,298.9	0.00	0.00	
9,700.0	90.60	138.51	5,226.4	-2,245.1	2,592.0	3,398.9	0.00	0.00	
9,800.0	90.60 90.60	138.51 138.51	5,225.3	-2,320.0 -2,394.9	2,658.2 2,724.4	3,498.9 3,598.9	0.00	0.00	
9,900.0			5,224.3						
10,000.0	90.60	138.51	5,223.2	-2,469.8	2,790.7	3,698.9	0.00	0.00	
10,100.0	90.60	138.51	5,222.2	-2,544.7	2,856.9	3,798.9	0.00	0.00	
10,200.0	90.60	138.51	5,221.1	-2,619.6	2,923.2	3,898.8	0.00	0.00	
10,300.0	90.60	138.51	5,220.1	-2,694.5	2,989.4	3,998.8	0.00	0.00	
10,400.0	90.60	138.51	5,219.0	-2,769.4	3,055.7	4,098.8	0.00	0.00	
10,500.0	90.60	138.51	5,218.0	-2,844.3	3,121.9	4,198.8	0.00	0.00	
10,600.0	90.60	138.51	5,216.9	-2,919.2	3,188.2	4,298.8	0.00	0.00	
10,700.0	90.60	138.51	5,215.9	-2,994.1	3,254.4	4,398.8	0.00	0.00	
10,800.0	90.60	138.51	5,214.8	-3,069.0	3,320.7	4,498.8	0.00	0.00	
10,900.0	90.60	138.51	5,213.8	-3,143.9	3,386.9	4,598.8	0.00	0.00	
	90.60	138.51	5,212.7	-3,218.8	3,453.2	4,698.8	0.00	0.00	
11,000.0	90.60	138.51	5,212.7	-3,218.8 -3,293.7	3,453.2	4,798.8	0.00	0.00	
11,100.0	90.60	138.51			3,519.4	4,798.8	0.00	0.00	
11,200.0 11,300.0	90.60	138.51	5,210.6 5,209.6	-3,368.6 -3,443.5	3,651.9	4,998.8	0.00	0.00	
11,400.0	90.60	138.51	5,209.6	-3,443.5	3,718.2	5,098.8	0.00	0.00	
11,500.0	90.60	138.51	5,207.5	-3,593.3	3,784.4	5,198.8	0.00	0.00	
11,600.0	90.60	138.51	5,206.4	-3,668.2	3,850.7	5,298.8	0.00	0.00	
11,700.0	90.60	138.51	5,205.4	-3,743.1	3,916.9	5,398.8	0.00	0.00	
11,800.0	90.60	138.51	5,204.4	-3,818.0	3,983.2	5,498.8	0.00	0.00	
11,900.0	90.60	138.51	5,203.3	-3,892.9	4,049.4	5,598.7	0.00	0.00	
12,000.0	90.60	138.51	5,202.3	-3,967.8	4,115.6	5,698.7	0.00	0.00	
12,100.0	90.60	138,51	5,201.2	-4,042.7	4,181.9	5,798.7	0.00	0.00	
12,200.0	90.60	138.51	5,200.2	-4,117.6	4,248.1	5,898.7	0.00	0.00	
12,300.0	90.60	138.51	5,199.1	-4,192.5	4,314.4	5,998.7	0.00	0.00	
12,400.0	90.60	138.51	5,198.1	-4,267.4	4,380.6	6,098.7	0.00	0.00	
12,500.0	90.60	138.51	5,197.0	-4,342.3	4,446.9	6,198.7	0.00	0.00	
12,500.0	90.60	138.51	5,197.0	-4,342.3 -4,417.2	4,446.9	6,298.7	0.00	0.00	
12,700.0	90.60	138.51	5,194.9	-4,417.2	4,579.4	6,398.7	0.00	0.00	
12,700.0	90.60	138.51	5,193.9	-4,492.1	4,645.6	6,498.7	0.00	0.00	
12,900.0	90.60	138.51	5,193.9	-4,641.9	4,711.9	6,598.7	0.00	0.00	
13,000.0	90.60	138.51	5,191.8	-4,716.8	4,778.1	6,698.7	0.00	0.00	
13,100.0	90.60	138.51	5,190.7	-4,791.7	4,844.4	6,798.7	0.00	0.00	
13,200.0	90.60	138.51	5,189.7	-4,866.6	4,910.6	6,898.7	0.00	0.00	
13,300.0	90.60	138.51	5,188.6	-4,941.5	4,976.9	6,998.7	0.00	0.00	
13,400.0	90.60	138.51	5,187.6	-5,016.4	5,043.1	7,098.7	0.00	0.00	
13,500.0	90.60	138.51	5,186.5	-5,091.3	5,109.4	7,198.7	0.00	0.00	
13,600.0	90.60	138.51	5,185.5	-5,166.2	5,175.6	7,298.7	0.00	0.00	
13,700.0	90.60	138.51	5,184.4	-5,241.1	5,241.9	7,398.6	0.00	0.00	
13,800.0	90.60	138.51	5,183.4	-5,316.0	5,308.1	7,498.6	0.00	0.00	
13,885.1	90.60	138.51	5,182.5	-5,379.8	5,364.5	7,583.7	0.00		D at 13885.1

Database: Company: Project:

USA EDM 5000 Multi Users DB EnCana Oil & Gas (USA) Inc

Site:

San Juan County, NM S11-T23N-R8W

Well: Wellbore: Design: HZ Plan #1

Hutton Canyon Unit M11-2308 03H

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: **Survey Calculation Method:** Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

Targets		AND DESCRIPTION OF THE PERSON							
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
HCU M11-2308 03H PBI - plan hits target cente - Point	0.00 er	0.00	5,182.5	-5,379.8	5,364.5	1,899,636.13	2,779,810.55	36.220555	-107.641041
HCU M11-2308 03H PO - plan hits target cente - Point	0.00 er	0.00	5,265.7	566.1	105.6	1,905,572.48	2,774,540.97	36.236890	-107.658870

Casing Points	ex hours each			The part of the second second			
	Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (")	Hole Diameter (")	
	500.0	500.0	9 5/8"		0	0	and the case of the
	5,499.9	5,135.5	ICP @ 55°		0	0	

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
991.0	991.0	Ojo Alamo Ss.	The state of the s	-0.60	138.51
1,081.0	1,081.0	Kirtland Shale		-0.60	138.51
1,354.0	1,354.0	Fruitland Coal		-0.60	138.51
1,587.0	1,587.0	Pictured Cliffs Ss.		-0.60	138.51
1,686.0	1,686.0	Lewis Shale		-0.60	138.51
2,394.4	2,387.0	Cliffhouse Ss.		-0.60	138.51
3,227.1	3,140.0	Menefee Fn.		-0.60	138.51
4,212.4	3,995.0	Point Lookout Ss.		-0.60	138.51
4,438.3	4,191.0	Mancos Shale		-0.60	138.51
5,001.0	4,726.0	Mancos Silt		-0.60	138.51
5,292.0	4,984.0	Gallup Fn.		-0.60	138.51

an Annotations	ar .				
Measured	Vertical	Local Coor	dinates		
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
1,800.0	1,800.0	0.0	0.0	KOP @ 1800'	
2,969.3	2,919.2	264.2	-124.0	EOB; Inc=29.23°	
4,479.8	4,237.4	932.1	-437.2	Start build/turn @ 4479' MD	
5,946.8	5,265.7	566.1	105.6	LP @ 5265' TVD; 90.6°	
13,885.1	5,182.5	-5,379.8	5,364.5	TD at 13885.1	

EnCana Oil & Gas (USA) Inc

San Juan County, NM S11-T23N-R8W Hutton Canyon Unit M11-2308 03H HZ Plan #1

Anticollision Report

28 October, 2014

Anticollision Report

Company: Project:

EnCana Oil & Gas (USA) Inc

San Juan County, NM S11-T23N-R8W

Reference Site:

0.0usft

Site Error: Reference Well:

Hutton Canyon Unit M11-2308 03H

Well Error:

0.0usft HZ

Reference Wellbore Reference Design:

Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Output errors are at Database:

Offset TVD Reference:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

Minimum Curvature

2.00 sigma

USA EDM 5000 Multi Users DB

Offset Datum

Reference

Plan #1

Filter type:

NO GLOBAL FILTER: Using user defined selection & filtering criteria MD Interval 100.0usft

Interpolation Method: Depth Range:

(usft)

Unlimited

Maximum center-center distance of 1,000.0usft

Results Limited by: Warning Levels Evaluated at:

Date

Error Model: Scan Method:

Error Surface:

Systematic Ellipse Closest Approach 3D

Elliptical Conic

2.00 Sigma

10/28/2014

Survey Tool Program

(usft)

Survey (Wellbore)

Tool Name

Description

0.0

13,885.1 Plan #1 (HZ)

Geolink MWD

Geolink MWD

	Reference	Offset	Dista	nce		
Site Name Offset Well - Wellbore - Design	Measured Depth (usft)	Measured Depth (usft)	Between Centres (usft)	Between Ellipses (usft)	Separation Factor	Warning
S11-T23N-R8W Hutton Canyon Unit M11-2308 02H - Hz - Plan #2	1,800.0	1,800.0	60.1	53.8	9.638 CC, ES	
Hutton Canyon Unit M11-2308 02H - Hz - Plan #2	2,000.0	1,999.7	63.4	56.5	9.153 SF	

Anticollision Report

Company: Project: EnCana Oil & Gas (USA) Inc San Juan County, NM

Reference Site:

S11-T23N-R8W

Site Error:

0.0usft

Reference Well: Well Error:

Reference Design:

Hutton Canyon Unit M11-2308 03H

Well Error:
Reference Wellbore

0.0usft HZ Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Output errors are at

Database:

Offset TVD Reference:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

Minimum Curvature

2.00 sigma

USA EDM 5000 Multi Users DB

Offset Datum

rvey Prog	ram: 0-G	eolink MWD											Offset Well Error:	0.0 L
Refer		Offse		Semi Major					Dista					
easured Depth (usft)	Vertical Depth (usft)	Messured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbor +N/-S (usft)	+E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Total Uncertainty Axis	Separation Factor	Warning	
0.0	0.0	0.0	0.0	0.0	0.0	-134.19	-41.9	-43.1	60.1				- N	
100.0	100.0	100.0	100.0	0.1	0.1	-134.19	41.9	-43.1	60.1	59.8	0.30	202.431		
200.0	200.0	200.0	200.0	0.3	0.3	-134,19	-41.9	-43.1	60.1	59.4	0.65	93.001		
300.0	300.0	300.0	300.0	0.5	0.5	-134.19	-41.9	-43.1	60.1	59.1	0.99	60.367		
400.0	400.0	400,0	400.0	0.7	0.7	-134.19	-41.9	-43.1	60.1	58.7	1.34	44.687		
500.0	500.0	500.0	500.0	0.8	0.8	-134.19	-41.9	-43.1	60.1	58.4	1.69	35.473		
600,0	600.0	600.0	600.0	1.0	1.0	-134.19	-41.9	-43.1	60.1	58.0	2.04	29.409		
700.0	700.0	700.0	700.0	1.2	1.2	-134.19	-41.9	-43.1	60.1	57.7	2.39	25.116		
800.0	800.0	800.0	800.0	1.4	1.4	-134.19	-41.9	-43.1	60.1	57.3	2.74	21.916		
900.0	900.0	900.0	900.0	1.5	1.5	-134.19	-41.9	-43.1	60.1	57.0	3.09	19.440		
1,000.0	1,000.0	1,000.0	1,000.0	1.7	1.7	-134.19	-41.9	-43.1	60.1	56.6	3.44	17.466		
1,100.0	1,100.0	1,100.0	1,100.0	1.9	1.9	-134.19	-41.9	43.1	60.1	56.3	3.79	15.856		
1,200.0	1,200.0	1,200.0	1,200.0	2.1	2.1	-134.19	-41.9	-43.1	60.1	55.9	4.14	14.518		
1,300.0	1,300.0	1,300.0	1,300.0	2.2	2.2	-134.19	-41.9	-43.1	60.1	55.6	4.49	13.388		
1,400.0	1,400.0	1,400.0	1,400.0	2.4	2.4	-134.19	-41.9	-43.1	60.1	55.2	4.83	12.422		
1,500.0	1,500.0	1,500.0	1,500.0	2.6	2.6	-134.19	-41.9	-43.1	60.1	54.9	5.18	11.585		
1,600.0	1,600.0	1,600.0	1,600.0	2.8	2.8	-134.19	-41.9	-43.1	60.1	54.5	5.53	10.854		
1,700.0	1,700.0	1,700.0	1,700.0	2.9	2.9	-134.19	-41.9	-43.1	60.1	54.2	5.88	10.210		
1,800.0	1,800.0	1,800.0	1,800.0	3.1	3.1	-134.19	-41.9	-43.1	60.1	53.8	6.23	9.638 CC, E	S	
1,900.0	1,900.0	1,900.0	1,900.0	3.3	3.3	-110.99	-41.9	-43.1	60.8	54.2	6.58	9.240		
2,000.0	1,999.7	1,999.7	1,999.7	3.5	3.5	-116.44	-41.9	-43.1	63.4	56.5	6.93	9.153 SF		
2,100.0	2,099.1	2,099.1	2,099.1	3.7	3.6	-124.42	-41.9	-43.1	69.0	61.7	7.28	9.473		
2,200.0	2,198.0	2,198.0	2,198.0	3.9	3.8	-133,36	-41.9	-43.1	78.6	71.0	7.63	10.307		
2,300.0	2,296.0	2,296.0	2,296.0	4.1	4.0	-141.82	-41.9	-43.1	93.2	85.3	7.96	11.709		
2,400.0	2,393.2	2,393.2	2,393.2	4.5	4.2	-148.98	-41.9	-43.1	113.0	104.7	8.27	13.661		
2,500.0	2,489.2	2,489.2	2,489.2	4.8	4.3	-154.66	-41.9	-43.1	137.9	129.3	8.56	16.108		
2,600.0	2,583.9	2,583.9	2,583.9	5.3	4.5	-159.06	-41.9	-43.1	167.7	158.9	8.83	18.990		
2,700.0	2,677.0	2,677.0	2,677.0	5.8	4.6	-162.43	-41.9	-43.1	202.2	193.1	9.09	22.255		
2,800.0	2,768.6	2,768.6	2,768.6	6.4	4.8	-165.04	-41.9	-43.1	241.1	231.8	9.32	25.864		
2,900.0 3,000.0	2,858.2 2,946.0	2,858.2 2,946.0	2,858.2	7.1 7.8	5.0 5.1	-167.06 -168.73	-41.9 -41.9	-43.1 -43.1	284.3 331.4	274.7 321.6	9.54 9.78	29.788 33.868		
	11													
3,100.0	3,033.3	3,033.3	3,033.3	8.6	5.3	-170.17	-41.9	-43.1	379.6	369.5	10.10	37.581		
3,200.0	3,120.5	3,120.5	3,120.5	9.4	5.4	-171.28	-41.9	-43.1	427.9	417.5	10.42	41.077		
3,300.0	3,207.8	3,207.8	3,207.8	10.2	5.6	-172.17	-41.9	-43.1	476.4	465.6	10.74	44.372		
3,400.0	3,295.1	3,295.1	3,295.1	11.0	5.7	-172.90	-41.9	-43.1	524.9	513.8	11.05	47.481		
3,500.0	3,382.3	3,382.3	3,382.3	11.9	5.9	-173.50	-41.9	-43.1	573.5	562.1	11.37	50.419		
3,600.0	3,469.6	3,469.6	3,469.6	12.7	6.0	-174.01	-41.9	-43.1	622.1	610.4	11.69	53.199		
3,700.0	3,556.9	3,542.4	3,542.4	13.5	6.2	-174.35	-42.4	-43.1	671.3	659.4	11.99	55.976		
3,800.0	3,644.1	3,600.0	3,599.9	14.4	6.3	-174.51	-44.7	-43.4	723.3	711.0	12.27	58.925		
3,900.0	3,731.4	3,666.2	3,666.0	15.3	6.4	-174.58	-49.7	-44.0	777.8	765,3	12.57	61.869		
4,000.0	3,818.7	3,724.5	3,723.9	16.1	6.5	-174.55	-56.2	-44.9	834.9	822.1	12.86	64.916		
4,100.0	3,905.9	3,780.4	3,779.2	17.0	6.6	-174.45	-64.1	-45.9	894.3	881.2	13.15	68.007		
4,200.0	3,993.2	3,833.9	3,831.9	17.8	6.7	-174.31	-73.4	-47.1	956.0	942.6	13.44	71.125		

Anticollision Report

Company: Project:

EnCana Oil & Gas (USA) Inc San Juan County, NM

Reference Site: Site Error:

S11-T23N-R8W

Reference Well:

0.0usft Hutton Canyon Unit M11-2308 03H

Well Error: Reference Wellbore Reference Design:

0.0usft HZ Plan #1 Local Co-ordinate Reference:

TVD Reference: **MD Reference:**

North Reference:

Survey Calculation Method: Output errors are at

Offset TVD Reference:

Well Hutton Canyon Unit M11-2308 03H

15' KB @ 6920.0usft (A920) 15' KB @ 6920.0usft (A920)

True

Minimum Curvature

2.00 sigma

USA EDM 5000 Multi Users DB

Offset Datum

Reference Depths are relative to 15' KB @ 6920.0usft (A920)

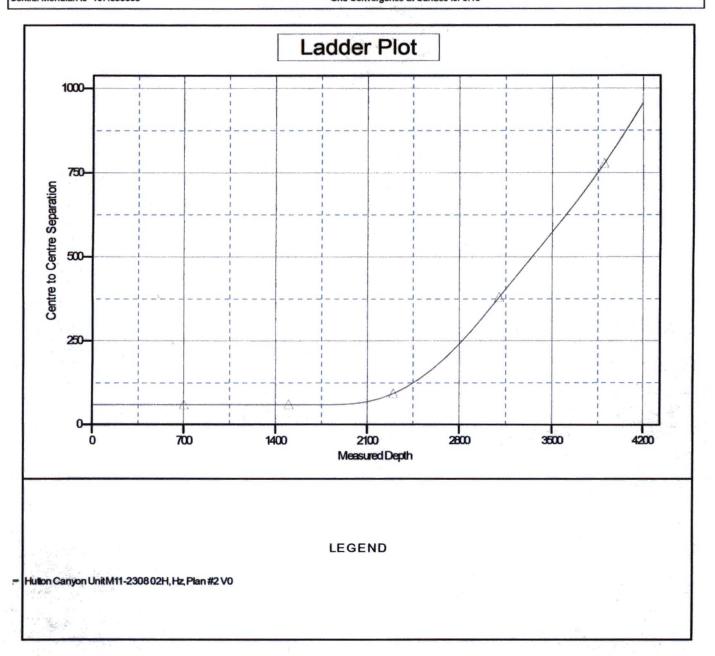
Offset Depths are relative to Offset Datum

Central Meridian is -107.833333 °

Coordinates are relative to: Hutton Canyon Unit M11-2308 03H

Coordinate System is US State Plane 1983, New Mexico Western Zone

Grid Convergence at Surface is: 0.10°



A March Service

SHL: SWSW Section 11, T23N, R8W

383' FSL and 225 FWL

BHL: SWSW Section 13, T23N, R8W

330 FSL and 400 FWL

San Juan, New Mexico

Lease Number: NMNM 118132 & NMNM 76842

Remaining brush will be brush-hogged or scalped at ground-level prior to ground disturbance.

2. After removal of vegetation, topsoil will be segregated and windrowed on the edge of the well pad in the construction zone. Topsoil will be defined as the top six (6) inches of soil. The stockpiled topsoil will be free of brush and tree limbs, trunks and root balls, but may include chipped or mulched material so long as it is incorporated into the topsoil stockpile.

Topsoil will be stockpiled separate from subsoil with a noticeable gap left between the stockpiles. Vehicle/equipment traffic will be prevented from crossing topsoil stockpiles.

Topsoil will not be stripped when soils are moisture-saturated or frozen below the stripping depth.

If the location becomes prone to wind or water erosion, Encana will take appropriate measures to prevent topsoil loss from wind. Such measures may include using tackifiers or water to wet the topsoil stockpile so that a crust is created across the exposed soil to prevent soil loss.

All construction materials for the well pad will consist of native borrow and subsoil
accumulated during well pad construction. If additional fill or surfacing material is required, it
will be obtained from existing permitted or private sources and will be hauled in by trucks over
existing access roads.

The maximum cut will be approximately 4.3 feet on the north corner (Corner 6) and the maximum fill will be approximately 6.3 feet on the southwest corner (Corner 5).

- 4. As determined during the onsite on November 7, 2013, the following best management practices will be implemented:
 - a. Corner 5 will be rounded to avoid the clay hills and paleontological concerns. Paleontological monitoring will be required.
 - b. Corner 2 will be rounded to avoid a drainage.
 - c. A drainage channel with a silt trap will be installed between Corner 6 and Midpoint 1 to divert water around Corner 6.
 - d. 24" culverts will be needed at low water crossings.
 - e. Archeological sites need to be avoided near Midpoint 1 and Corner 2.
 - f. Endangered Cacti will need to be transplanted.
 - g. Fencing will be required around Corner 5 to Midpoint 1 to protect another archeological site.
 - h. Construction fencing required near Corner 6 to avoid endangered cacti.
- 5. Construction equipment may include one (1) dozer and one (1) blade. Construction of the access road and well pad will take approximately 2 weeks.

C. Pipeline

See the Plan of Development submitted with the final Standard SF-299 Application for authorization to construct, operate, maintain and terminate a 1,606.05 foot, up to 6-inch outside diameter, buried steel well connect pipeline that was submitted to the BLM concurrently with the APD.

7. METHODS FOR HANDLING WASTE

A. Cuttings

SHL: SWSW Section 11, T23N, R8W

383' FSL and 225 FWL

BHL: SWSW Section 13, T23N, R8W

330 FSL and 400 FWL

San Juan, New Mexico

Lease Number: NMNM 118132 & NMNM 76842

- V 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

- 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.
- 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.
- G. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash container will be cleaned up and removed from the well location.
- H. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than

ENCANA OIL & GAS (USA) INC.

HUTTON CANYON UNIT M11-2308 #03H 383' FSL & 225' FWL LOCATED IN THE SW/4 SW/4 OF SECTION 11, T23N, R8W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 39.0 MILES TO INDIAN ROUTE 7061 (M.P. 112.6).
- 2) TURN RIGHT AND GO 1.7 MILES TO A DIRT ROAD WITH CATTLE GUARD.
- 3) TURN LEFT AND GO 0.6 MILES TO "Y" INTERSECTION.
- 4) TURN LEFT AND GO 0.9 MILES TO "T" INTERSECTION.
- 5) TURN LEFT AND GO 1.1 MILES TO ABANDONED 2-TRACK TO BE UPGRADED.

WELL FLAG LOCATED AT LAT. 36.235335° N, LONG.107.659228° W (NAD 83).

Scorpion Survey & Consulting, L.L.C. 302 S. Ash Aztec, New Mexico 87410 (505) 334-4007

JOB No.: ENC312 DATE: 05/22/2014 DRAWN BY: TWT

