

API No. <u>42-419-31635</u> Drilling Permit # <u>703912</u> SWR Exception Case/Docket No. _____		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>				<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>	
1. RRC Operator No. <u>251691</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>ENCANA OIL &amp; GAS(USA) INC.</u>			3. Operator Address (include street, city, state, zip): _____ _____ _____		
4. Lease Name <u>EUBANKS UNIT</u>		5. Well No. <u>1H</u>					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <span><input checked="" type="checkbox"/> New Drill</span> <span><input type="checkbox"/> Recompletion</span> <span><input type="checkbox"/> Reclass</span> <span><input type="checkbox"/> Field Transfer</span> <span><input type="checkbox"/> Re-Enter</span> </div> <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Amended</span> <span><input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)</span> </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Vertical</span> <span><input checked="" type="checkbox"/> Horizontal (Also File Form W-1H)</span> <span><input type="checkbox"/> Directional (Also File Form W-1D)</span> <span><input type="checkbox"/> Sidetrack</span> </div>							
8. Total Depth <u>12100</u>		9. Do you have the right to develop the minerals under any right-of-way? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. <u>06</u>		12. County <u>SHELBY</u>		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore			
14. This well is to be located <u>5.6</u> miles in a <u>SE</u> direction from <u>CENTER</u> which is the nearest town in the county of the well site.							
15. Section _____		16. Block _____		17. Survey <u>HINTON, J</u>		18. Abstract No. <u>A-288</u>	
				19. Distance to nearest lease line: <u>1150</u> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>835.35</u>	
21. Lease Perpendiculars: <u>1390</u> ft from the <u>EAST</u> line and <u>1275</u> ft from the <u>SW</u> line.							
22. Survey Perpendiculars: <u>2100</u> ft from the <u>NW(CORNER)</u> line and <u>600</u> ft from the <u>NORTH</u> line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		24. Unitization Docket No: _____		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No			
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.							
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)		29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	
<u>06</u>	<u>16032300</u>	<u>CARTHAGE (HAYNESVILLE SHALE)</u>		<u>Gas Well</u>	<u>12100</u>	<u>0.00</u>	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
<b>Remarks</b> [RRC STAFF Oct 20, 2010 9:00 AM]: Per P-12 changed the acreage to 835.3528.; [RRC STAFF Oct 20, 2010 2:38 PM]: Surface survey lines corrected to show lines not coming from a corner. Revised plat attached.; [RRC STAFF Oct 20, 2010 2:53 PM]: Manual review ok. Density met.				<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge.  <div style="display: flex; justify-content: space-between;"> <div> <u>Sharon Cook, Regulatory Advisor</u>            Name of filer   <u>(214)9877174</u>            Phone         </div> <div> <u>Oct 18, 2010</u>            Date submitted   <u>sharon.cook@encana.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
RRC Use Only Data Validation Time Stamp: Oct 20, 2010 2:56 PM( 'As Approved' Version )							

Permit Status: **Approved**

*The RRC has not approved this application.  
Duplication or distribution of information is  
at the user's own risk.*

**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION**

**Form W-1H** 07/2004  
**Supplemental Horizontal Well Information**

**APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER**

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A certification of the automated data is available in the RRC's Austin office.*

Permit # **703912**

Approved Date: **Oct 20, 2010**

1. RRC Operator No. <b>251691</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>ENCANA OIL &amp; GAS(USA) INC.</b>	3. Lease Name <b>EUBANKS UNIT</b>	4. Well No. <b>1H</b>
<b>Lateral Drainhole Location Information</b>			
5. Field as shown on Form W-1 <b>CARTHAGE (HAYNESVILLE SHALE) (Field # 16032300, RRC District 06)</b>			
6. Section	7. Block	8. Survey <b>MERCHANT, J D</b>	9. Abstract <b>463</b>
10. County of BHL <b>SHELBY</b>			
11. Terminus Lease Line Perpendiculars <b>1980</b> ft. from the <b>NW</b> line. and <b>1460</b> ft. from the <b>East</b> line			
12. Terminus Survey Line Perpendiculars <b>4290</b> ft. from the <b>West</b> line. and <b>3760</b> ft. from the <b>South</b> line			
13. Penetration Point Lease Line Perpendiculars <b>1150</b> ft. from the <b>SW</b> line. and <b>1450</b> ft. from the <b>East</b> line			



