

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)894-2100 Fax: (303)894-2109

DOCUMENT
#2224132

SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

RECEIVED
4/19/2012

1. OGCC Operator Number: 100185	4. Contact Name: Julia M. Carter	Complete the Attachment Checklist
2. Name of Operator: Encana Oil & Gas (USA) Inc.	Phone: 720.876.5240	
3. Address: 370 17th Street Suite 1700	Fax: 720.876.6240	OP OGCC
City: Denver State: CO Zip 80202		
5. API Number	OGCC Facility ID Number 323905	Survey Plat
6. Well/Facility Name: Standard Shale	7. Well/Facility Number 6401	Directional Survey
8. Location (Qtr/Qtr, Sec, Twp, Rng, Meridian): NWNW Sec 9 T7S-R99W, 6th PM		Surface Eqpm Diagram
9. County: Garfield	10. Field Name: Wildcat	Technical Info Page X
11. Federal, Indian or State Lease Number:		Other

General Notice

<input type="checkbox"/> CHANGE OF LOCATION: Attach New Survey Plat (a change of surface qtr/qtr is substantive and requires a new permit)	
Change of Surface Footage from Exterior Section Lines:	<input type="checkbox"/> FNL/FSL <input type="checkbox"/> FEL/FWL
Change of Surface Footage to Exterior Section Lines:	<input type="checkbox"/> <input type="checkbox"/>
Change of Bottomhole Footage from Exterior Section Lines:	<input type="checkbox"/> <input type="checkbox"/>
Change of Bottomhole Footage to Exterior Section Lines:	<input type="checkbox"/> <input type="checkbox"/> attach directional survey
Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer	
Latitude	Distance to nearest property line
Longitude	Distance to nearest bldg, public rd, utility or RR
Ground Elevation	Distance to nearest lease line
	Is location in a High Density Area (rule 603b)? Yes/No NO
	Distance to nearest well same formation
	Surface owner consultation date: NA
GPS DATA:	
Date of Measurement PDOP Reading Instrument Operator's Name	
<input type="checkbox"/> CHANGE SPACING UNIT	<input type="checkbox"/> Remove from surface bond
Formation Formation Code Spacing order number Unit Acreage Unit configuration	Signed surface use agreement attached
<input type="checkbox"/> CHANGE OF OPERATOR (prior to drilling):	<input type="checkbox"/> CHANGE WELL NAME
Effective Date:	From:
Plugging Bond: <input type="checkbox"/> Blanket <input type="checkbox"/> Individual	To:
	Effective Date:
<input type="checkbox"/> ABANDONED LOCATION:	<input type="checkbox"/> NOTICE OF CONTINUED SHUT IN STATUS
Was location ever built? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date well shut in or temporarily abandoned:
Is site ready for inspection? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has Production Equipment been removed from site? <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Ready for Inspection:	MIT required if shut in longer than two years. Date of last MIT
<input type="checkbox"/> SPUD DATE:	<input type="checkbox"/> REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)
<input type="checkbox"/> SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK *submit cbl and cement job summaries	
Method used	Cementing tool setting/perf depth
Cement volume	Cement top
Cement bottom	Date
<input type="checkbox"/> RECLAMATION: Attach technical page describing final reclamation procedures per Rule 1004.	
Final reclamation will commence on approximately <input type="checkbox"/> Final reclamation is completed and site is ready for inspection.	

Technical Engineering/Environmental Notice

<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Report of Work Done
Approximate Start Date:	Date Work Completed:
Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)	
<input type="checkbox"/> Intent to Recomplete (submit form 2)	<input type="checkbox"/> Request to Vent or Flare
<input type="checkbox"/> Change Drilling Plans	<input type="checkbox"/> Repair Well
<input type="checkbox"/> Gross Interval Changed?	<input type="checkbox"/> Rule 502 variance requested
<input type="checkbox"/> Casing/Cementing Program Change	<input checked="" type="checkbox"/> Other: Water Transfer/Reuse Agreement for Spills and Releases
<input type="checkbox"/> E&P Waste Disposal	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Status Update/Change of Remediation Plans	

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: Julia M. Carter Date: 4/19/12 Email: julia.carter@encana.comPrint Name: Julia M. Carter Title: Regulatory AnalystCOGCC Approved: ALEX FISCHER Title Enviro. Supervisor Date 4/20/2012

CONDITIONS OF APPROVAL, IF ANY:

TECHNICAL INFORMATION PAGE



FOR OGCC USE ONLY

1. OGCC Operator Number:	100185	API Number:	
2. Name of Operator:	Encana Oil & Gas (USA) Inc.	OGCC Facility ID #	323905
3. Well/Facility Name:	Standard Shale	Well/Facility Number:	6401
4. Location (QtrQtr, Sec, Twp, Rng, Meridian):	NWNW Sec 9 T7S-R99W		

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. DESCRIBE PROPOSED OR COMPLETED OPERATIONS

Encana Oil & Gas (USA) Inc. requests approval to acquire produced water from Oxy USA Inc.

Encana will be receiving the water at our Standard Shale 6401 location (Loc ID: 323905) and will be using the water for fracing at our KM C08 799 location (Location ID 423633).

Oxy will be transferring the water by water trucks from 4 locations:
Logan Trail 28-10 (Loc ID 421296)
CC Pond 10N (Loc ID 414396)
CC Pond 12 (Loc ID 414405)
CC Pond 10S (Loc ID 291946)

Please find the attached Receiving Operator Water Reuse Plan.

Receiving Operator Water Reuse Plan

Encana Oil & Gas (USA) Inc. and OXY USA WTP LP

April 2012

Purpose and Need

This water re-use plan is to be submitted to the Colorado Oil and Gas Conservation Commission (COGCC) with a Form 4 (sundry) to allow a temporary produced water transfer agreement between Encana Oil and Gas (USA) Inc. (Encana) and OXY USA WTP LP (Oxy).

Encana has a need for up to 1.2 million barrels of produced water for drilling and completion operations in Garfield County, Colorado. Oxy operates wells in the Cascade Creek field located in Garfield County, Colorado located near Encana's location currently in need of produced water. Oxy generates approximately 17,000 - 20,000bbl per day of non-tributary produced and flowback water from these operations. Encana has tested and verified compatibility.

Encana would like to receive water for beneficial re-use. If permitted to do so, a qualified water hauling company would gather the water at Oxy's approved 28-10 water off loading facility (Facility ID 421296), Pond 10 North (Facility ID 414396), Pond 10 South (Facility ID 291946) or Pond 12 (Facility ID 414405) and deliver it to Encana's remote fracing facility located at NWNW Sec. 9, T7S, R99W, 6th PM, Garfield County, Colorado. Transfer of produced water would begin upon approval and terminate after six (6) months with an option for extension.

Benefits

Under this plan, each party shall use reasonable and available means to safely transfer production water, in sufficient volumes and quality, to meet the other party's transfer request, when mutually agreeable to do so. The benefits include:

- Less fresh water withdraws from surface water sources;
- Less Reliance on injection wells for disposal of production/flowback water;
- Increased operation efficiencies from reusing local supplies of production/flowback water to meet water demands for drilling, completion and workover activities.

Produced Fluid Pickup and Transfer Location

Produced water will be collected at one of the four identified transfer locations by a qualified water management hauling service. The transferring company (Oxy) shall maintain all regulatory responsibility, custody and control for all water until such time it is transferred into frac tanks currently located at the receiving company's (Encana) remote fracing facility, at which point the receiving company will assume all regulatory responsibility, custody and control of the water.

The water will be unloaded directly into skid mounted frac tanks currently on location at Encana's remote fracing facility staged at Standard Shale 6401, APD No. 05-045-06913-00, Location ID: 323905 situated in NWNW Section 9, Township 7 South, Range 99 West, 6th PM, Garfield County, Colorado. Reuse of transferred water will be conducted at the following locations:

Frac Location 1: Kimball Mtn B07 799: Location ID: 383216; NWNE, Sec. 7, T7S, R99W, Garfield County, Colorado;

Frac Location 2: KM C08 799: Location ID: 423633; NENW, Sec. 8, T7S, R99W, Garfield County, Colorado.

Receipt

Encana's receiving activities will consist of the following:

Receipt of water from Oxy's Logan Wash 28-10 off-loading facility (Facility ID 421296), Pond 10 North (Facility ID 414396), Pond 10 South (Facility ID 291946) or Pond 12 (Facility ID 414405) at Encana's remote fracing facility staged at Standard Shale 6401, APD No. 05-045-06913-00, Location ID: 323905 situated in NWNW Section 9, Township 7 South, Range 99 West, 6th PM, Garfield County, Colorado. Oxy will transport the water using 130bbl transports and 80bbl bobtail tankers.

The volumes of fluid to be delivered will be ~5,000 – 10,000bbls/day

The transfer operator will maintain records with the following information:

- Changes to the approved plan;
- Applicable training requirements for its contractors (lock out/ tag out, job hazard analysis at the transfer location, etc.);
- Types and results of internal and contractor audits conducted;
- Tabulated waste generator records, as required by Rule 907.b.(2) including:
 - Date of transport
 - Identity of water generator
 - Identity of water transporter
 - Volume of water transported
 - Location of receiving point(Transport tickets will be maintained for each load)
- Summary of spills, incidents or upsets;

Spill Response and Cleanup Measures

Oxy's collection point is covered under a Spill Prevention, Control and Countermeasure Plan (SPCC).

Encana's receiving point is covered under a SPCC plan.

Analytical Data

An analysis representative of the water to be transferred to Encana is included as Attachment A.

Operator Contact Information

Encana Oil and Gas (USA) Inc.
Louie Gibson
2717 County Road 215, Suite 100
Parachute, CO 81635
970.989.0143 Mobile
970.285.2611 Office

OXY USA WTP LP
Chris Clark
Field Regulatory Lead – Piceance
760 Horizon Drive, Suite 101
Grand Junction, CO 81506
970.462.8375 Mobile
970.263.3651 Office

Summary

Proposed use of water – Encana's Garfield County, CO drilling and completion activities;

Destination of water – Encana Remote Fracing Facility NWNW Sec. 9, T7S, R99W, 6th PM, Garfield County, Colorado;

Water Transportation – All water transported to Encana will be by 130bbl transport tankers or 80bbl bobtail tankers;

Estimated volume of water transferred – ~5,000 – 10,000bbls/day for up to six (6) months;

Operator Name:
 Well Name: 28-10
 Job Description: OXY 28-10 Sample Point
 Date: April 18, 2012



WATER ANALYSIS

Fluid Type: N/A

Date Filled:

Date Sampled: 4/18/12

Source:

Tank:	28-10 #1	28-10#2								
Temperature, (°F)	71.0	71.0								
pH	6.92	6.98								
Specific Gravity	1.016	1.016								
Iron (mg/L)	14.2	13.8								
Sulfates (mg/L)	450.0	450.0								
Chlorides (mg/L)	10500.0	10500.0								
Bicarbonates (mg/L)	513.0	547.2								
Hardness (mg/L)	650.7	667.7								
Calcium (mg/L)	136.8	150.5								
Magnesium (mg/L)	75.1	70.9								

Tank:	11	12	13	14	15	16	17	18	19	20
Temperature, (°F)										
pH										
Specific Gravity										
Iron (mg/L)										
Sulfates (mg/L)										
Chlorides (mg/L)										
Bicarbonates (mg/L)										
Hardness (mg/L)										
Calcium (mg/L)										
Magnesium (mg/L)										

CONDITIONS OF APPROVAL

Oxy LOCATION IDs: 414396; 424296; 291946 and 41405

Encana Location IDs 383216 and 423933

OXY USA A WTP LP and Encana Oil and Gas (USA) Inc Transfer and Receiving Water Reuse Plans

COA- APPROVAL OF THIS PLAN IS CONTINGENT UPON ANALYTICAL LABORATORY RESULTS FOR REPRESENTATIVE SAMPLES OF OXY USA A WTP LP (Oxy) FLOWBACK WATER FROM LOCATION IDs: 414396; 424296; 291946 and 41405. RESULTS SHALL BE SUBMITTED TO THE COGCC WITHIN 45 DAYS OF APPROVAL OF THIS PLAN. ANALYTICAL LABORATORY ANALYSIS SHALL INCLUDE:

- | | |
|---------------------------------------|------------------------|
| • VOLATILE ORGANIC COMPOUNDS | EPA METHOD 624 (GC/MS) |
| • SEMI-VOLATILE ORGANIC COMPOUNDS | EPA METHOD 625 (GC/MS) |
| • DISSOLVED METALS | EPA METHOD 200.7 (ICP) |
| • DISSOLVED INORGANICS (NON-METALS) | EPA METHOD 300.0 (IC) |
| o Br, Cl, F, Nitrate/Nitrite, Sulfate | |
| • GENERAL WATER QUALITY PARAMETERS | |
| o SPECIFIC CONDUCTANCE | EPA METHOD 300.0 (IC) |
| o HARDNESS | EPA METHOD 130.1 |
| o TOTAL DISSOLVED SOLIDS | EPA METHOD 160.1 |
| o pH | EPA METHOD 150.2 |
| o ALKALINITY | EPA METHOD 310.1 |
| • GROSS ALPHA AND BETA RADIOACTIVITY | EPA METHOD 900.1 |

COA – IF LOCATIONS ARE IN A SENSITIVE AREA BECAUSE OF ITS PROXIMITY TO SURFACE WATER OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT THE WATER HANDLING FACILITY SITE DURING NATURAL GAS DEVELOPMENT ACTIVITIES AND OPERATIONS; INCLUDING, BUT NOT LIMITED TO, CONSTRUCTION OF A BERM OR DIVERSION DIKE, DIVERSION/COLLECTION TRENCHES WITHIN AND/OR OUTSIDE OF BERMS/DIKES, SITE GRADING, OR OTHER COMPARABLE MEASURES (I.E., BEST MANAGEMENT PRACTICES (BMPS) ASSOCIATED WITH STORMWATER MANAGEMENT) SUFFICIENTLY PROTECTIVE OF NEARBY SURFACE WATER. ANY BERM CONSTRUCTED AT THE WELL PAD LOCATION WILL BE STABILIZED, INSPECTED AT REGULAR INTERVALS (AT LEAST EVERY 14 DAYS), AND MAINTAINED IN GOOD CONDITION.

COA - OPERATOR MUST IMPLEMENT BEST MANAGEMENT PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS, INCLUDING ANY FLUIDS CONVEYED VIA TEMPORARY SURFACE PIPELINES.

COA - OPERATOR SHALL PROVIDE OVERFLOW PROTECTION FOR EACH TANK PROPOSED IN THE FACILITY PLANS, IF TANKS ARE USED.

COA - OPERATOR PROPOSES THAT THIS FACILITY WILL BE IN OPERATION FOR A PERIOD OF LESS THAN ONE YEARS. SHOULD THE OPERATION OF THIS FACILITY CONTINUE MORE THAN ONE YEAR, A FORM 28 SHALL BE SUBMITTED AND APPROVED BEFORE THE ONE-YEAR ANNIVERSARY DATE OF THE FIRST USE OF THE TRANSFER FACILITY/LOCATION.

COA-TERMINATION OF ACTIVITIES: BOTH OXY AND ENCANA SHALL NOTIFY THE COGCC VIA SUNDRY IMMEDIATELY UPON TERMINATION OF ACTIVITIES.

COA-OXY AND ENCANA WILL EACH SEPERATELY SUBMIT AN ANNUAL REPORT TO THE COGCC SUMMARIZING THE TRANSFER OF PRODUCTION WATER (BOTH AS TRANSFER AND RECEIVING OPERATOR) DURING THE CALENDAR YEAR AND INCLUDING LABORATORY ANALYTICAL RESULTS FOR REPRESENTATIVE SAMPLE(S) OF THE PRODUCTION WATER PROVIDED AS THE TRANSFER/RECEIVER. THE ANNUAL REPORT SHALL BE SUBMITTED ON OR BEFORE THE ANNIVERSARY OF THE FIRST DATE OF TRANSFER.