FORM 4 Rev 12/05

Page 1

02054053

Oil and Gas Conservation Commission

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

DE DA | ET | OE | ES DA

RECEIVED
NOV 05 2009
COGCC

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.)

1. OGCC Operator Number: 100185
2. Name of Operator: ENCANA OIL & GAS (USA) INC
3. Address: 370 17TH ST, STE 1700
   City: DENVER State: CO Zip: 80202
4. Contact Name: DeAnne Spector
   Phone: 720-876-5826
   Fax: 720-876-6060

Complete the Attachment Checklist

	OP	OGCC
Survey Plat		
Directional Survey		
Surface Eqpmt Diagram		
Technical Info Page	X	
Other		

5. API Number 05-077-09420 OGCC Facility ID Number
6. Well/Facility Name: Orchard Unit 7. Well/Facility Number 20-12H (K20OU)
8. Location (QtrQtr, Sec, Twp, Rng, Meridian): NESW Sec. 20-T8S-R96W 6th PM
9. County: Mesa 10. Field Name: Orchard
11. Federal, Indian or State Lease Number: COC-64191

General Notice

☐ **CHANGE OF LOCATION:** **Attach New Survey Plat** (a change of surface qtr/qtr is substantive and requires a new permit)

	FNL/FSL		FEL/FWL	
Change of **Surface** Footage **from** Exterior Section Lines:				
Change of **Surface** Footage **to** Exterior Section Lines:				
Change of **Bottomhole** Footage **from** Exterior Section Lines:				
Change of **Bottomhole** Footage **to** Exterior Section Lines:				

attach directional survey

Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer

Latitude | Distance to nearest property line | Distance to nearest bldg, public rd, utility or RR

Longitude | Distance to nearest lease line | Is location in a High Density Area (rule 603b)? Yes/No

Ground Elevation | Distance to nearest well same formation | Surface owner consultation date:

GPS DATA:

Date of Measurement PDOP Reading Instrument Operator's Name

☐ **CHANGE SPACING UNIT**

Formation	Formation Code	Spacing order number	Unit Acreage	Unit configuration

☐ **Remove from surface bond** Signed surface use agreement attached

☐ **CHANGE OF OPERATOR (prior to drilling):**
Effective Date:
Plugging Bond: ☐ Blanket ☐ Individual

☐ **CHANGE WELL NAME** **NUMBER**
From:
To: 2 0-12H (K20OU)
Effective Date:

☐ **ABANDONED LOCATION:**
Was location ever built? ☐ Yes ☐ No
Is site ready for Inspection? ☐ Yes ☐ No
Date Ready for Inspection:

☐ **NOTICE OF CONTINUED SHUT IN STATUS**
Date well shut in or temporarily abandoned:
Has Production Equipment been removed from site? ☐ Yes ☐ No
MIT required if shut in longer than two years. Date of last MIT

☐ **SPUD DATE:**

☐ **REQUEST FOR CONFIDENTIAL STATUS** (6 mos from date casing set)

☐ **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

☐ **RECLAMATION:** Attach technical page describing final reclamation procedures per Rule 1004.
Final reclamation will commence on approximately ☐ Final reclamation is completed and site is ready for inspection.

Technical Engineering/Environmental Notice

☒ Notice of Intent
Approximate Start Date: 11/5/09

☐ Report of Work Done
Date Work Completed:

Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)

☐ Intent to Recomplete (submit form 2)
☐ Change Drilling Plans
☐ Gross Interval Changed?
☐ Casing/Cementing Program Change
☐ Request to Vent or Flare
☒ Repair Well
☐ Rule 502 variance requested
☒ Other: CEMENT Remediation
☐ E&P Waste Disposal
☐ Beneficial Reuse of E&P Waste
☐ Status Update/Change of Remediation Plans for Spills and Releases

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

Signed: DeAnne Spector Date: 11/05/2009 Email: deanne.spector@encana.com

Print Name: DeAnne Spector Title: Regulatory Analyst

COGCC Approved: David Andrews Title PE II Date: 11/5/2009

CONDITIONS OF APPROVAL, IF ANY:

FORM 4 Rev 6/99

Page 2

TECHNICAL INFORMATION PAGE

FOR OGCC USE ONLY

RECEIVED
NOV 05 2009
COGCC

1. Operator Number: 100185 API Number: 05-077-09420
2. Name of Operator: ENCANA OIL & GAS (USA) INC.
3. Well Name: Orchard Unit Well Number: 20-12H (K20OU)
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): NESW SEC 20-T8S-R96W

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**

Verbal approval was received from Will Howell at the Silt BLM office for the attached remediation procedure. Work is scheduled to begin today.

Well: Orchard Unit 20-12H (K20OU)

AFE#: 09125161
Location: NESW Sec 20 T8S - R96W 6th PM
API#: 05077094200000 (Mesa County)

CASING DETAILS:

Conductor: 16" 42# set @ 40' (TOC = Surface)

Surface Casing: 13 3/8" 54.5# J-55 to 1532' (TOC = Surface)

Intermediate Casing: 9 5/8" 40# LT&C J-55 Grade from 0' to 9075'; DV Tool @ 4418' (I.D. = 8.835")
(Stage 1 TOC = 4765', stringers to 4600', (Stage 2 TOC = Surface)
Internal Yield = 3950 psi, 80% = 3160 psi

Production Casing: 5 1/2" 17# P110 LT&C to 13,641' MD (TOC = 6790', cement stringers to 6560'); (I.D. = 4.892")
Internal Yield = 10,640 psi, 80% = 8512 psi

Existing Niobrara Perfs as follows: STAGE 1: 13,388' - 13,579' (90 Holes)
STAGE 2: 13,228' - 13,242' (60 Holes)
STAGE 3: 12,888' - 13,077' (72 Holes)
STAGE 4: 12,638' - 12,827' (72 Holes)
STAGE 5: 12,388' - 12,575' (72 Holes)

Note: Weatherford 10K psi Solid Composite Plug set @ 8020' topped w/ 3 sx cement on 10/31/2009

Issue:

During the beginning of the Stage 5 completion, surface treating pressure decreased sharply which was matched by an increase in Intermediate CSG pressure. Surface CSG pressure increased as well. The job was shut down, a CBP was set at 8020', and all pressures were bled down to zero psi where they have remained since the plug was set. A 2nd CBP + cement will be set at 7400' MD for additional well control and safety.

It was determined that a hole/split is in the 5.5" casing just above the collar at 2069' MD. This remediation procedure includes steps to cut and pull 5.5" CSG, evaluate the 9-5/8" Intermediate CSG w/ 40-arm caliper log, and patch/cement new 5.5" CSG in place. Following the successful patch & cement job, the cement and plugs will be drilled out, pushed to the frac plug between Stages 4 & 5, and the completions will resume for Stages 5-18.

5.5" Casing & Cementing Remediation

1 MIRU workover rig, ND WH, NU BOPE, blow well down

2 MIRU wireline crew. RIH w/ chemical cutters to make first cut in 5.5" CSG at 6360' (~200' above uppermost cement stringer).

3 POOH w/ cutter, confirm cutter fired. RIH w/ 2nd chemical cutter to cut just below the hole in 5.5" CSG. Make the 2nd cut at 2140' (10' below collar of JT below hole). POOH w/ cutter, confirm cutter fired. RDMO wireline crew.

4 RU LD Machine to LD 5 1/2" Casing.

5 MIRU Casing Crew. Spear 5.5" CSG (Fish #1 from Surface to 2080') and POOH laying down 48 JTS + cut CSG stub (~2080' total)
Note: String Weight (in air) of 2080' of 5.5" 17.0# CSG is ~35,400 lbm.
Please confirm JT count of pipe pulled out of the hole.

****Casing will be sent in for inspection to determine reason for failure.***

6 RIH w/ overshot on 3 1/2" 9.3# EUE N-80 TBG and latch on to 5.5" CSG stub.
Note: Confirm joint yield strength of 3.5" workstring prior to fishing 5.5" CSG; confirm total string weight before latching on to 5.5" CSG stub.

7 Once it is confirmed that the overshot is latched on to the 5.5" CSG, POOH laying down 3.5" TBG, overshot, and 102 JTS + two cut CSG stubs (upper and lower), ~4360' total.
Note: String Weight (in air) of 4360' of 5.5" 17.0# CSG is ~74,200 lbm + 3.5" Workstring @ ~27,000 lbm = 101,200 lbm (confirm before fishing)
Please confirm JT count of pipe pulled out of the hole.

8 Load 9 5/8" CSG and Pressure test to 1500 psi. Record for 15 minutes. If pressure test fails, a 40-arm caliper log will be run (See step 10).

9 RIH w/ 3.5" workstring & skirted mill. Dress off 5.5" CSG stub to prepare for CSG patch.

10 MIRU wireline crew and RIH w/ 40-arm caliper log to confirm integrity of 9-5/8" 40# Intermediate CSG. Report findings to Denver immediately. RDMO wireline crew.

11 RIH with **Logan 10K psi Overshot Patch** on 5.5" 20# P110 CSG. Also, include a cement stage tool (ie., DV Tool) above casing patch to cement 5.5" CSG inside 9-5/8" Intermediate CSG from overshot patch to surface.

12 Circulate patch onto fish/casing stub @ 6360' and pressure test to 500 psi???

13 Once good casing patch is confirmed, open stage tool. Establish circulation with water for a minimum of 50 bbls. Once circulation is established, pump cement to cover from patch to surface in 9-5/8" Intermediate CSG.
NOTE: Approximate BHST @ 6360' = 190°F

Annular Volume = 0.005454 (8.835^2 - 5.5^2)(6360') = **1658 cu ft --> ~1000 sx (actual cement volume and blend TBD).**

14 Displace cement, confirm DV tool is shut, plug holding.

15 WOC for a minimum of 24 hours.

16 RIH w/ 2 3/8" 4.7# N-80 TBG and appropriate bit to drill out cement through the DV Tool.

17 POOH w/ workstring, Run CBL, confirm TOC w/ Denver immediately.

18 Pressure test 5.5" CSG to 8500 psi.

19 Drill out plugs, continue w/ fracturing operations.

Andrews, David

From: Miley, Craig [Craig.Miley@encana.com]
Sent: Tuesday, November 03, 2009 3:58 PM
To: Andrews, David
Cc: Johnson, Tina; Morss, Ruth Ann; Spector, DeAnne M.
Subject: Orchard Unit 20-12H (K20OU) - Casing Remediation Plan
Attachments: Orchard Unit 20-12H (K20OU) - CSG & CMT remediation procedures -11.01.2009.xls

David,

As we discussed yesterday, we had a shallow casing failure (2069') right above a collar during the very beginning of one of our horizontal Niobrara fracs on the Orchard Unit 20-12H (K20OU). During the beginning of the Stage 5 completion, surface treating pressure decreased sharply which was matched by an increase in Intermediate CSG pressure. Surface CSG pressure increased as well. The job was shut down, a CBP was set at 8020', and all pressures were bled down to zero psi where they have remained since the plug was set. A 2nd CBP + cement was set at 7400' MD for additional well control and safety.

It was determined that a hole/split is in the 5.5" casing just above the collar at 2069' MD. This remediation procedure includes steps to cut and pull 5.5" CSG, evaluate the 9-5/8" Intermediate CSG w/ 40-arm caliper log, and patch/cement new 5.5" CSG in place. Following the successful patch & cement job, the cement and plugs will be drilled out, pushed to the frac plug between Stages 4 & 5, and the completions will resume for Stages 5-18.

Following this email, I'll send the the following info in a few emails due to the large size of the attachments (I believe there's a size limit of 4 MB?). Let me know if you don't receive any of the following: 1.) 5.5" CBL, 2.) 5.5" CSG inspection log, zoomed-in version, 3.) 5.5" CSG Inspection log--full version, 4.) Frac graphs at CSG failure, 5.) CSG Patch specs.

Our Regulatory Team is working on the sundry which includes the procedure I've attached here. Please let me know if there are any questions, concerns, or if any other info is needed.

Thanks,

Craig Miley
Production Engineer, S. Piceance
EnCana Oil & Gas (USA), Inc.
370 17th St. Suite 1700
Denver, CO 80202

Office: (720) 876-5396
Mobile: (303) 495-8665
Fax: (720) 876-6396
Email: Craig.Miley@EnCana.com

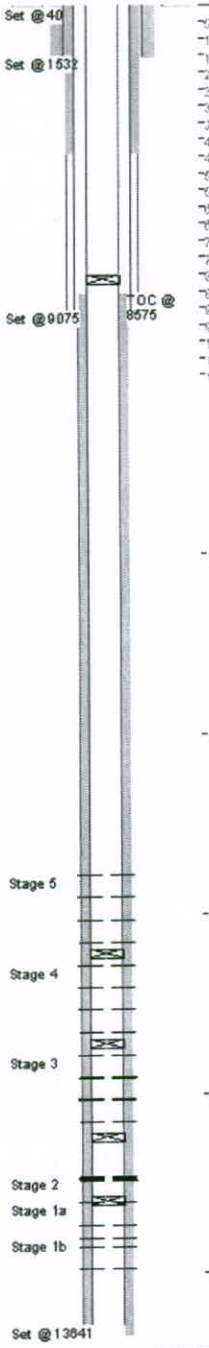
Downhole Schematic for Orchard Unit 20-12H (K20OU)

ENCANA

Project : South Piceance
Area : Orchard
As Of :

API # 05077094200000
County :
GL : 5929.0 ft

Surface Location : NESW Sec 20 T8S - R96W 6th PM
BHL : NESE 18-8S-96W 6th PM
KB to GL : 22.0 ft
KB : 5951.0 ft



Casing Details

Section	Hole	Casing	Mass	Set At	Length	Thread	Grade	Description
Conductor	30.000	16	42	40	40			Conductor
						Butt		Guide Shoe
Surface	17.500	13 3/8	0	1,532	2	Butt		Shoe Joint
		13 3/8	68	1,531	45	Butt	J-55	Float Collar
		13 3/8	0	1,485	2	Butt		Casing Joints
		13 3/8	68	1,483	1,486	Butt	J-55	
Intermediate	12.250	9.625	0	9,075	2	LT&C		Float Shoe
		9.625	40	9,074	43	LT&C	J-55	Shoe Joint
		9.625	0	9,030	2	LT&C		Float Collar
		9.625	40	9,029	4,611	LT&C	J-55	Casing Joints
		9.625	0	4,418	3	LT&C		DV Tool
		9.625	40	4,415	4,418	LT&C	J-55	Casing joints
Production	8.500	5.5	17	13,641	2	LT&C	P110	Float Shoe
		5.5	17	13,640	44	LT&C	P110	Shoe Joint
		5.5	17	13,596	2	LT&C	P110	Float Collar
		5.5	17	13,594	13,597	LT&C	P110	Casing Joints

Cement Details

Section	Sequence	Top	Density	Blend / Additives
Conductor	Fill	0	0.0	4 Yards Redi-mix /
Surface		0	8.3	30 bbls water /
	Lead	0	12.5	12.5 Lead / G +2% D79 + 0.2% D46 + 0.25#/sx D29
	Tail	1,254	15.8	15.8 G Tail / D907 +1.25% S001 + 0.2% D046 + 0.25#/sx D29
Intermediate		0	8.3	10 BBL Water /
		0	8.4	30 bbl CW100 /
		0	8.3	10 bbl water /
	Lead	0	12.0	12.0 TXI / D049 + 1.0% D079 + 0.5% D013 + 0.5% D046 + 0.25#/sx D029
	Lead	4,222	15.8	15.8 G / G +0.2% D013 + 0.2% D046 + 0.25 #/sx D029
Production	Tail	8,573	15.0	15.0 ppg Acid Soluble /.50% D151 + 35% D66 +2% D20 + 1% D176 + 1% D153 + 0.4% D167 + 0.3% D198 + 0.3% D065 + 0.2% D46 + 0.25 pps D29

Perforations

Stage 1a

Date	From	To	Shots
10/22/2009	13,488	13,492	21
	13,426	13,429	18
	13,364	13,366	15
	13,302	13,304	12

Stage 1b

Date	From	To	Shots
10/28/2009	13,402	13,404	12
	13,400	13,402	12

Stage 2

Date	From	To	Shots
10/29/2009	13,240	13,242	12
	13,238	13,240	12
	13,235	13,237	12
	13,231	13,233	12
	13,228	13,230	12

Stage 3

Date	From	To	Shots
10/30/2009	13,075	13,077	12
	13,013	13,015	12
	13,010	13,010	12
	12,953	12,955	12
	12,950	12,952	12
	12,888	12,890	12

Stage 4

Date	From	To	Shots
10/30/2009	12,825	12,827	12
	12,760	12,764	24
	12,700	12,704	24
	12,638	12,640	12

Stage 5

Date	From	To	Shots
10/31/2009	12,575	12,577	12
	12,513	12,517	24
	12,450	12,454	24
	12,388	12,390	12

Frac Summary

Stage 1a : 13,302 - 13,491, 66 - 0.360" shots, 9868 bbls of Slickwater, 1200 lbs of 100 Sand, 3000 lbs of 40/70 White Sand Report Date: 10/27/2009
Stage 1b : 13,400 - 13,404, 24 - 0.360" shots, 14584 bbls of Slickwater, 86000 lbs of 100 Sand, 81500 lbs of 40/70 White Sand Report Date: 10/27/2009
Stage 2 : 13,228 - 13,242, 60 - 0.360" shots, 14405 bbls of Slickwater, 49000 lbs of 100 Sand, 130300 lbs of 40/70 White Sand Report Date: 10/29/2009
Stage 3 : 12,888 - 13,077, 72 - 0.360" shots, 16294 bbls of Slickwater, 89000 lbs of 100 Sand, 115100 lbs of 40/70 White Sand Report Date: 10/30/2009
Stage 4 : 12,638 - 12,827, 72 - 0.360" shots, 14749 bbls of Slickwater, 77100 lbs of 100 Sand, 44700 lbs of 40/70 White Sand Report Date: 10/31/2009
Stage 5 : No Frac

Bridge Plug Details

Depth	Date Set	Plug Type	Sacks Cement
8,020.0	10/31/2009	CBP	3

Comments

10/27/09 stg 1a. 0 to 0 psi braden
0 to 0 psi intermediate
10/28/09 stg 1b. 0 to 0 psi braden
0 to 0 psi intermediate
10/29/09 stg 2. 0 to 0 psi braden
0 to 0 psi intermediate
10/30/09 stg 3. 0 to 0 psi braden
34 to 0 psi intermediate
10/31/09 stg 4. 0 to 0 psi braden
73 to 0 psi intermediate

HORIZONTAL WELL

KOP @ 7688

Andrews, David

From: Miley, Craig [Craig.Miley@encana.com]
Sent: Tuesday, November 03, 2009 4:03 PM
To: Andrews, David
Cc: Johnson, Tina; Morss, Ruth Ann; Spector, DeAnne M.
Subject: Orchard Unit 20-12H (K20OU) - 5.5" CSG Inspection Log
Attachments: K20OU - 5.5 in CSG part - 40-arm caliper log - ZOOM IN AT HOLE.pdf

I've attached the 5.5" CSG inspection log which is zoomed in at the point of failure.

Craig Miley
Production Engineer, S. Piceance
EnCana Oil & Gas (USA), Inc.
370 17th St. Suite 1700
Denver, CO 80202

Office: (720) 876-5396
Mobile: (303) 495-8665
Fax: (720) 876-6396
Email: Craig.Miley@EnCana.com

Database File:	oct_31_09.db
Dataset Pathname:	pass2
Presentation Format:	testmit2
Dataset Creation:	Sat Oct 31 20:32:30 2009 by Log Std Casedhole 09061
Charted by:	Depth in Feet scaled 1:60

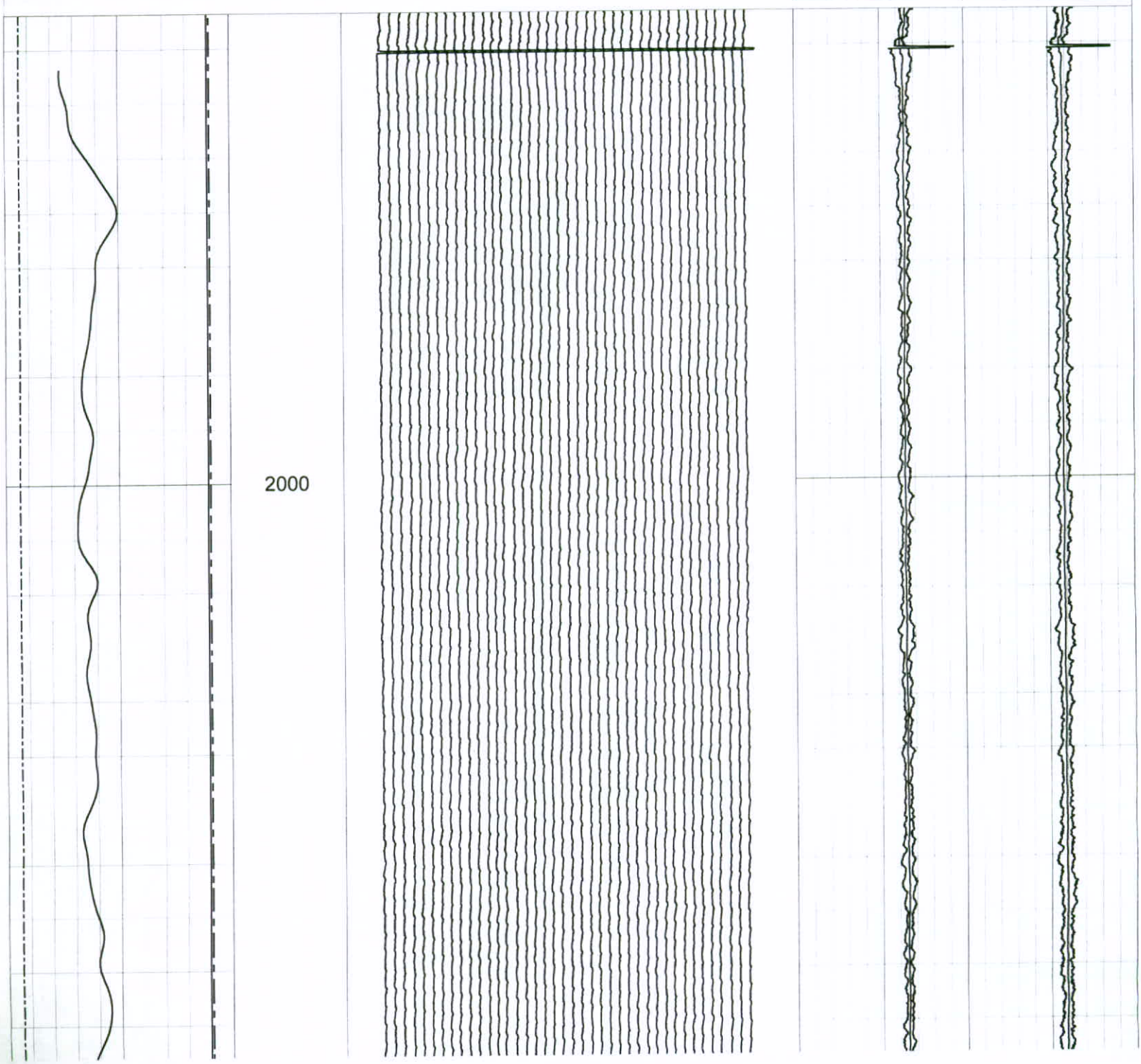
0	MIT Deviation (°)	90	
0	Gamma Ray	120	
-18000	CCL	2000	
0	MITROT (°)	360	

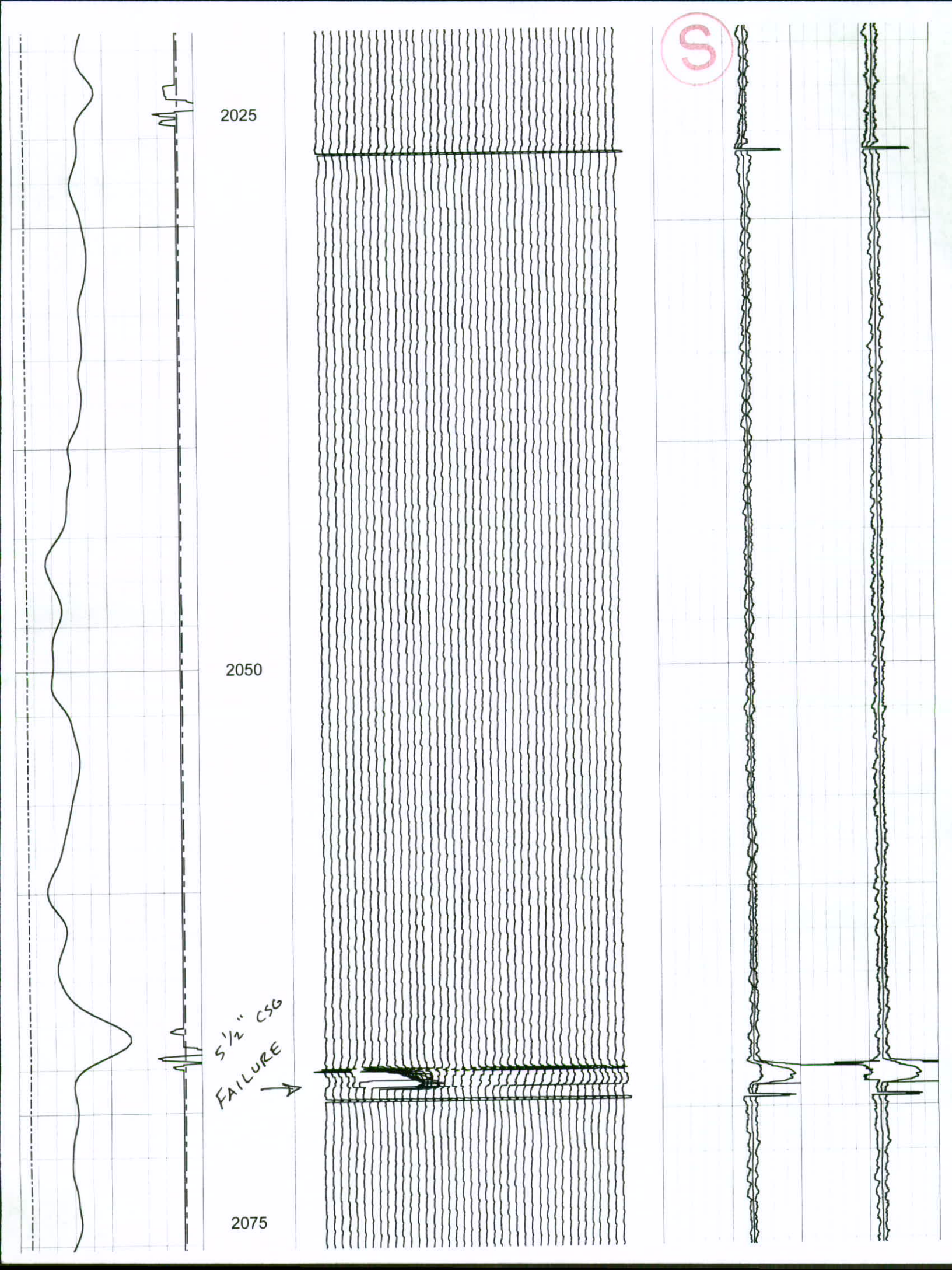
2	FING01 (in)	7.31
1.89	FING02 (in)	7.2
-2.18	FING39 (in)	3.13
-2.29	FING40 (in)	3.02

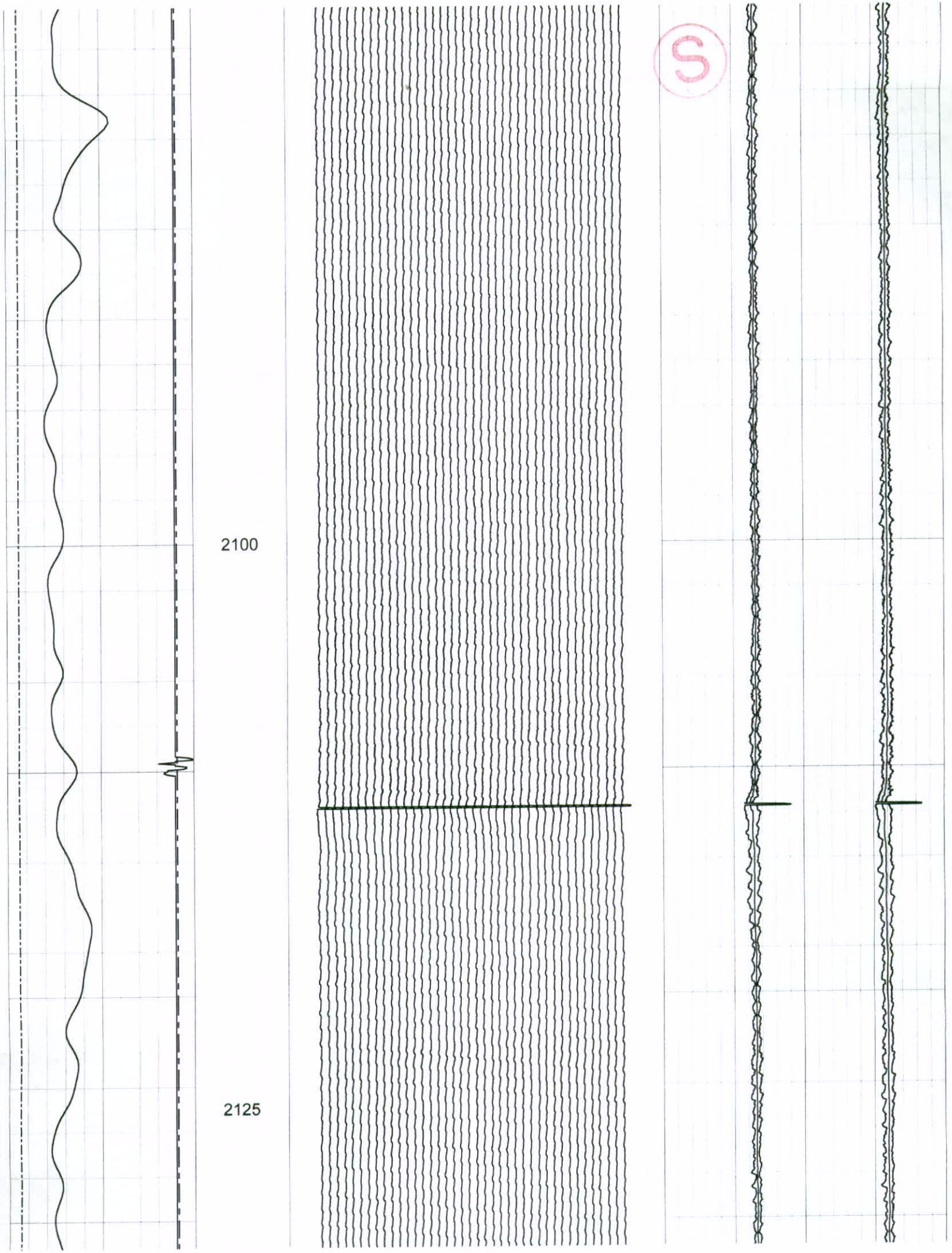
Average Diameter			Average Radius		
4.25	(in)	5.25	2.125	(in)	2.675

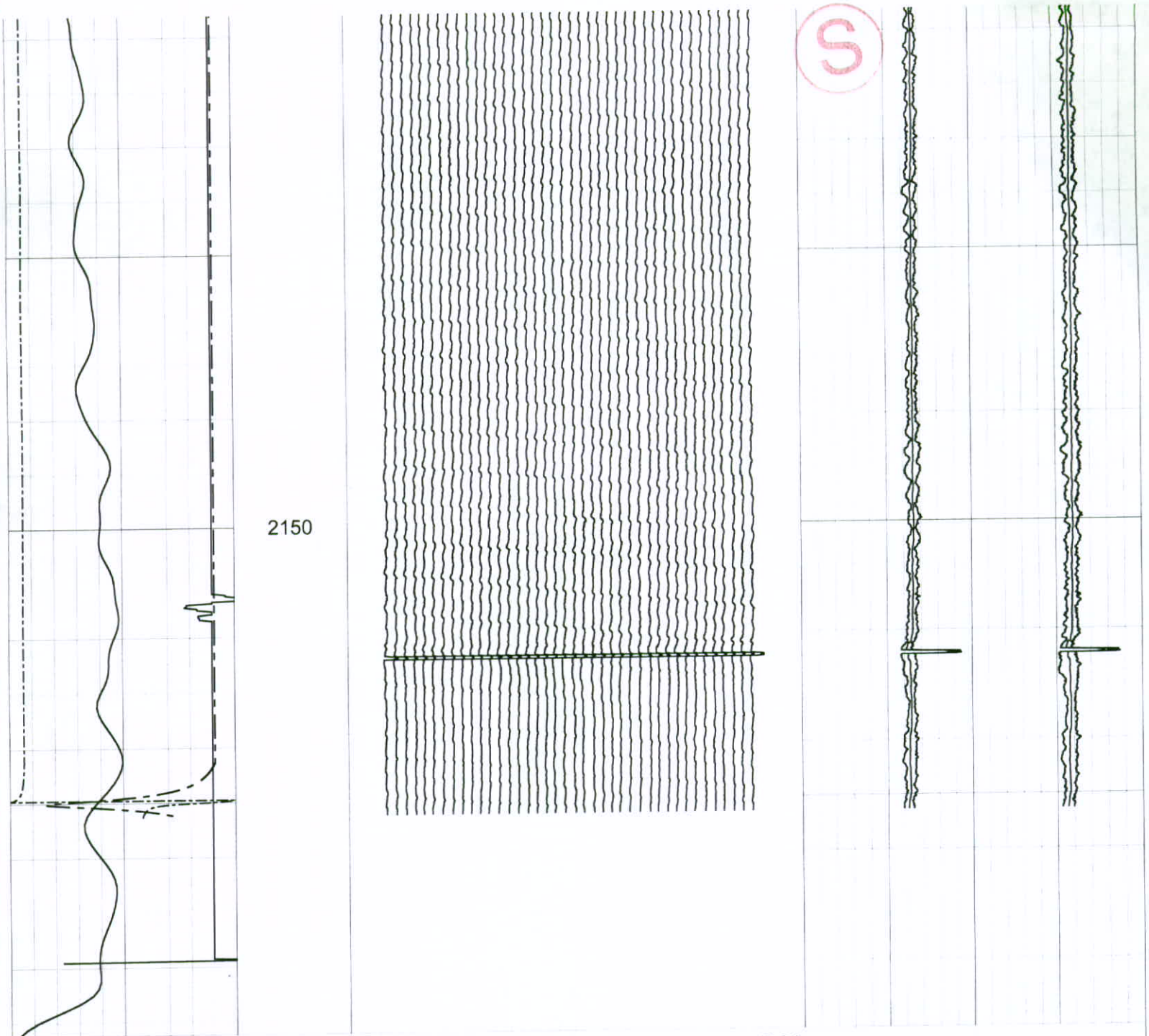
Minimum Diameter			Minimum Radius		
4.25	(in)	5.25	2.125	(in)	2.675

Maximum Diameter			Maximum Radius		
4.25	(in)	5.25	2.125	(in)	2.675




2025
2050
2075
5½" CSG
FAILURE


2100
2125



0	MIT Deviation (°)	90
0	Gamma Ray	120
-18000	CCL	2000
0	MITROT (°)	360

2	FING01 (in)	7.31
1.89	FING02 (in)	7.2
-2.18	FING39 (in)	3.13
-2.29	FING40 (in)	3.02

Average Diameter			Average Radius		
4.25	(in)	5.25	2.125	(in)	2.675

Minimum Diameter			Minimum Radius		
4.25	(in)	5.25	2.125	(in)	2.675

Maximum Diameter			Maximum Radius		
4.25	(in)	5.25	2.125	(in)	2.675

Andrews, David

From: Miley, Craig [Craig.Miley@encana.com]
Sent: Tuesday, November 03, 2009 4:06 PM
To: Andrews, David
Cc: Johnson, Tina; Morss, Ruth Ann; Spector, DeAnne M.
Subject: Orchard Unit 20-12H (K20OU) - Frac Graphs at Failure, CSG patch specs
Attachments: 5 12 CASING PATCH 10K 002.jpg; K20OU - Stage 5 - CSG Failure - zoom #1 in at point of failure.pdf; K20OU - Stage 5 - CSG Failure - zoom in at point of failure.pdf; 5 12 CASING PATCH 10K 001.jpg

I've attached the frac graphs from the point at which casing failed. I've also attached the specs/diagram of the Logan 10K psi overshot CSG patch we're planning on running with new 5.5" CSG.

Craig Miley
Production Engineer, S. Piceance
EnCana Oil & Gas (USA), Inc.
370 17th St. Suite 1700
Denver, CO 80202

Office: (720) 876-5396
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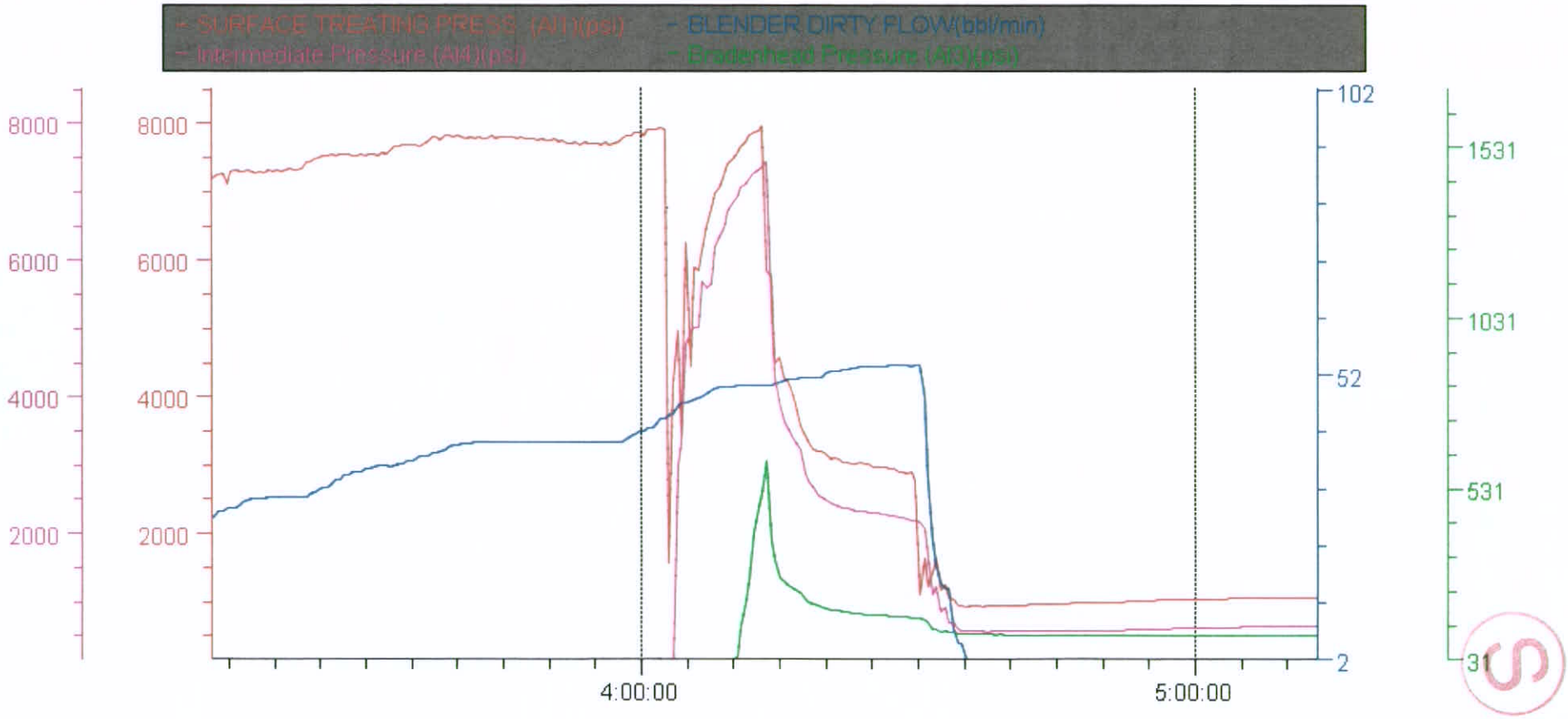
Email: Craig.Miley@EnCana.com

K20OUStage5Frac

Horizontal

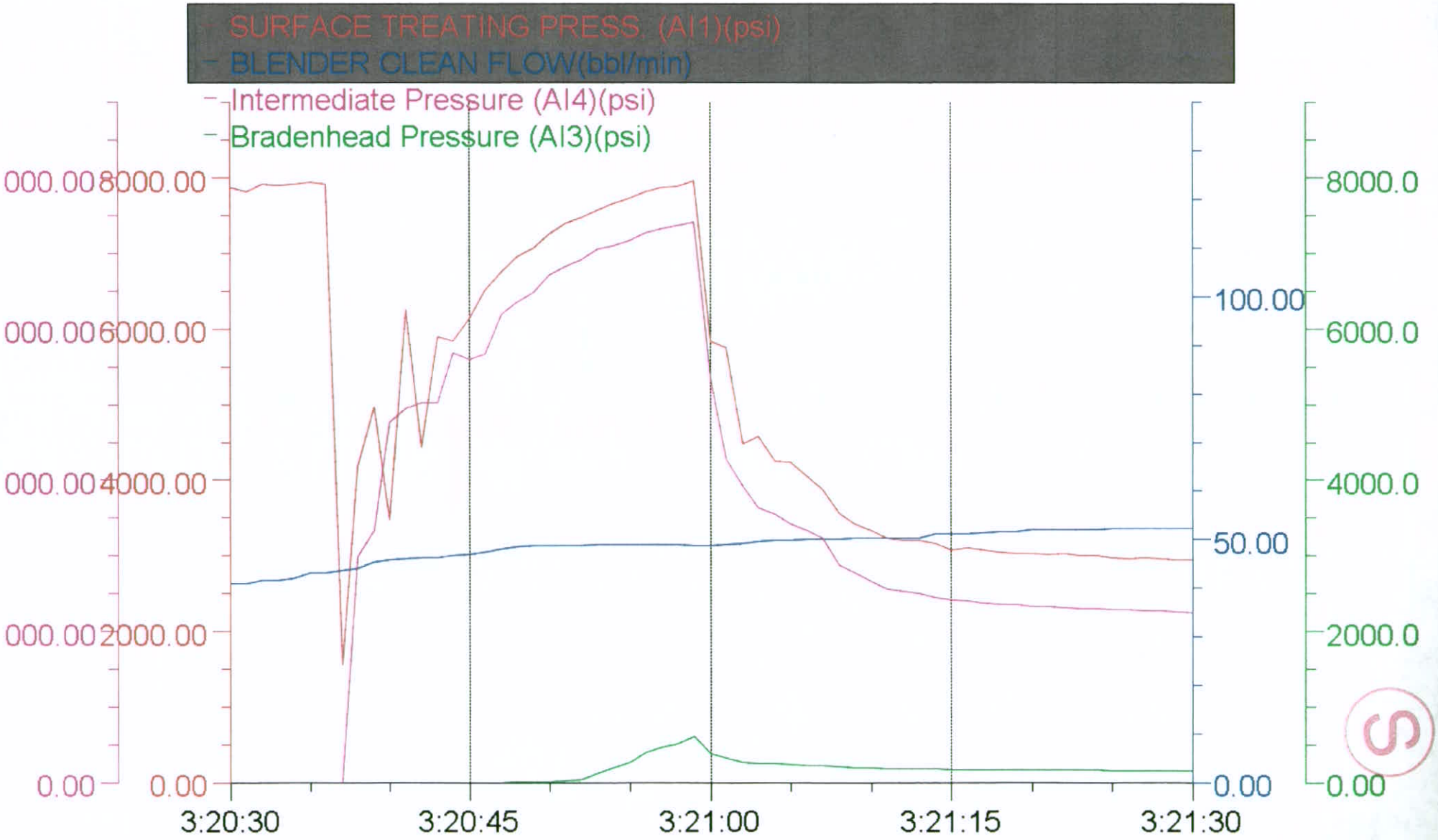


Encana

10/31/2009

K20OUStage5Frac

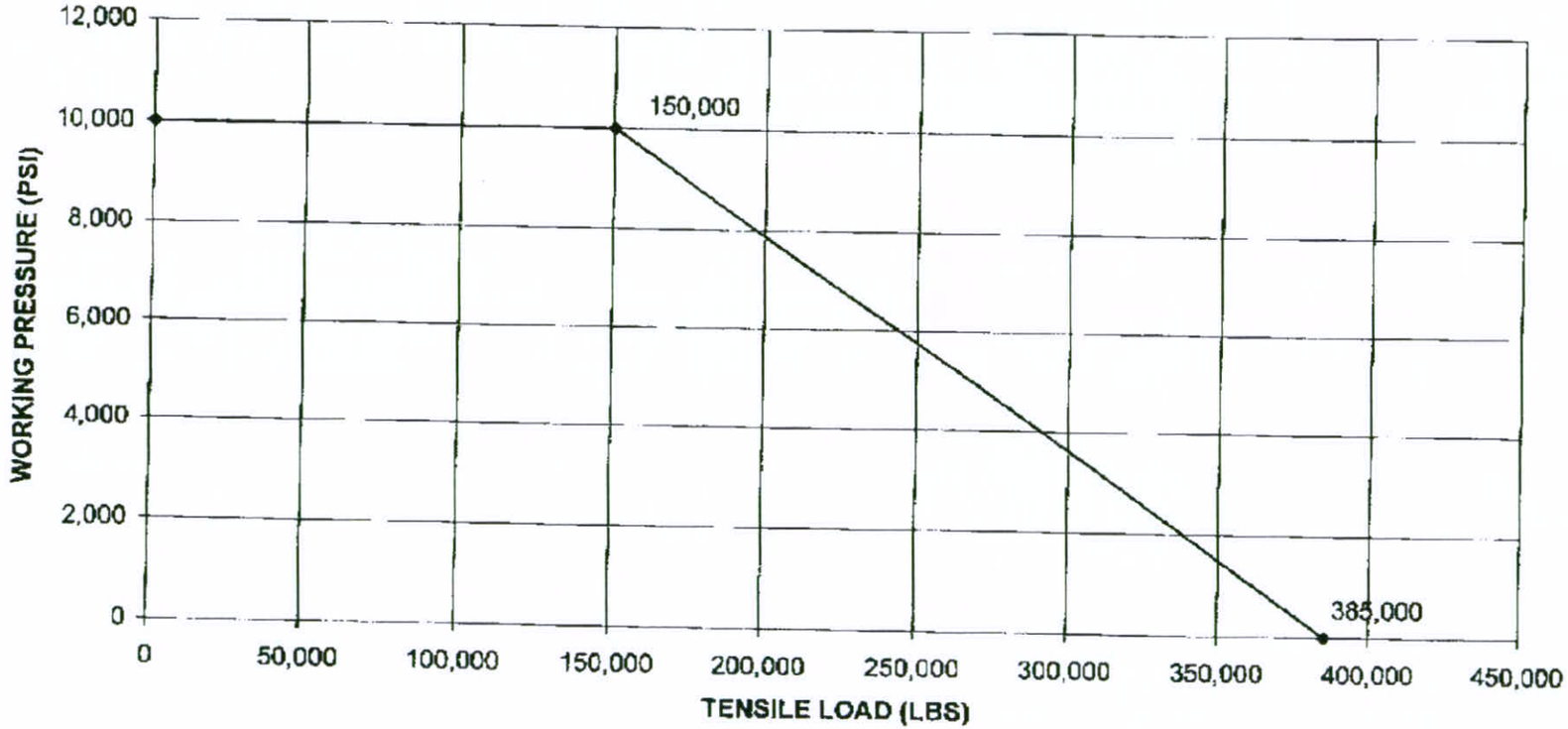
Horizontal



Encana

10/31/2009

STRENGTH DATA FOR LOGAN 7.0" OD HIGH PRESS PKOFF FOR 5-1/2 CASING, 10,000 PSI MAX WP 125K YIELD MAT'L
510L-007-001



COLLAPSE PRESSURE:
11,310 PSI @ 0 TENSILE
7947 PSI @ 385K TENSILE

TORQUE:
T.S. TO BWL = 6680 FT/LBS
BWL TO GDE = 1500 FT/LBS

DATA BY SLS 8/23/2005

Andrews, David

From: Miley, Craig [Craig.Miley@encana.com]
Sent: Thursday, November 05, 2009 8:19 AM
To: Andrews, David
Subject: RE: Orchard Unit 20-12H (K20OU) - Casing Remediation Plan
Attachments: K20OU - Casing Testing - Pump down 5.5 in into 9.625 in.pdf

David,

I'm just checking to see if there were any concerns with our 5.5" production casing remediation for the Orchard Unit 20-12H (K20OU)? Also, the BLM has given us the OK to proceed with the procedure.

I've attached a graph from a pump/pressure test we performed against the Bradenhead. We pumped down 5.5", established circulation thru the hole @ ~2100' to the 9-5/8" Intermediate CSG, shut in the 9-5/8" CSG, and pressured up the 9-5/8" CSG to ~250 psi (5.5" was at ~450 psi). During the pumping and pressure testing, the Bradenhead remained at zero and did not show any signs of flow. In the attached graph, the red "Treating Pressure" line is from 5.5" CSG, the teal line is Intermediate CSG. I'm hoping this means we have no leaks in our Surface CSG--more testing will be done to confirm.

Did you need any other info? Did the attachments make it through?

Finally. . . I'm finishing up the P&A procedure for the Shear 30-4. We have a small window to do the work in the last 2 weeks of November, and we're going to try and schedule it then. I'll keep you posted, and send my procedure later today.

Thanks,

Craig.

From: Miley, Craig
Sent: Tuesday, November 03, 2009 3:58 PM
To: 'Andrews, David'
Cc: Johnson, Tina; Morss, Ruth Ann; Spector, DeAnne M.
Subject: Orchard Unit 20-12H (K20OU) - Casing Remediation Plan

David,

As we discussed yesterday, we had a shallow casing failure (2069') right above a collar during the very beginning of one of our horizontal Niobrara fracs on the Orchard Unit 20-12H (K20OU). During the beginning of the Stage 5 completion, surface treating pressure decreased sharply which was matched by an increase in Intermediate CSG pressure. Surface CSG pressure increased as well. The job was shut down, a CBP was set at 8020', and all pressures were bled down to zero psi where they have remained since the plug was set. A 2nd CBP + cement was set at 7400' MD for additional well control and safety.

It was determined that a hole/split is in the 5.5" casing just above the collar at 2069' MD. This remediation procedure includes steps to cut and pull 5.5" CSG, evaluate the 9-5/8" Intermediate CSG w/ 40-arm caliper log, and patch/cement new 5.5" CSG in place. Following the successful patch & cement job, the cement and plugs will be drilled out, pushed to the frac plug between Stages 4 & 5, and the completions will resume for Stages 5-18.

Following this email, I'll send the the following info in a few emails due to the large size of the attachments (I believe there's a size limit of 4 MB?). Let me know if you don't receive any of the following: 1.) 5.5" CBL, 2.) 5.5" CSG inspection log, zoomed-in version, 3.) 5.5" CSG Inspection log--full version, 4.) Frac graphs at CSG failure, 5.) CSG Patch specs.

Our Regulatory Team is working on the sundry which includes the procedure I've attached here. Please let me know if there are any questions, concerns, or if any other info is needed.

Thanks,

Craig Miley
Production Engineer, S. Piceance
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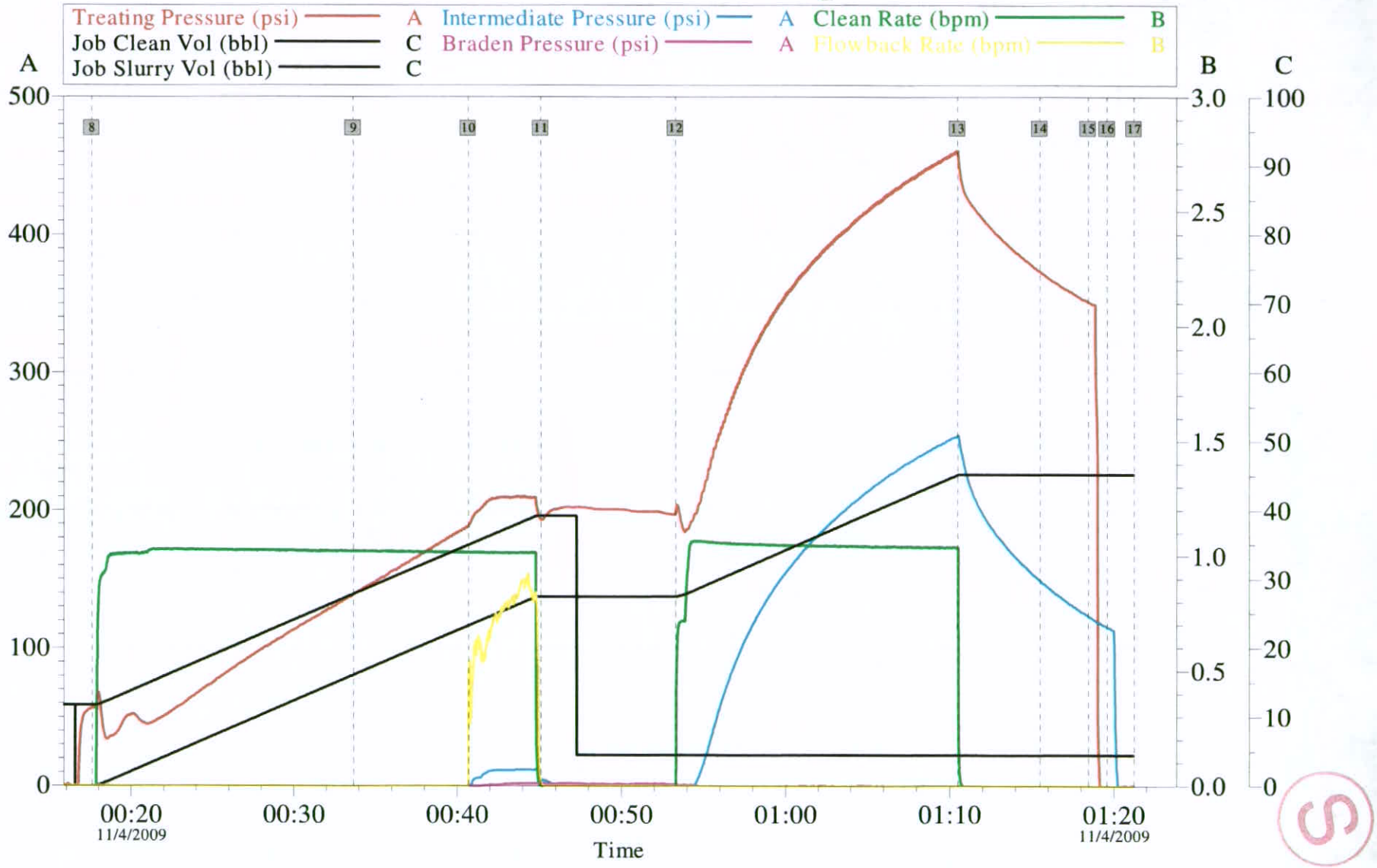
ENCANA 20-12H Test Casing



Customer:	ENCANA OIL & GAS (USA) INC. - EBUS	Job Date:	03-Nov-2009	Sales Order #:	6987965
Well Description:	ORCHARD UNIT 20-12H	UWI:	05-077-09420		

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