

Lost Circulation Summary For OO WELLBORE

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|----------------------|-----------------|------------------------|-------|-----------------|--------------|-----------|----------|---|
| Operator: | OXY USA WTP LP | Occurrence Date & Time | Depth | Mud Volume Lost | Kick Ensued? | MW Before | MW After | Procedure used to regain circulation |
| Well Name: | CC697-04-76B | 12/15/2011 | 2350 | 1497 | NO | 9 | 8.9 | Began injecting air down drill string AT 1223'. Continue drilling with moderate losses. Mud gpm @ 600, air SCFM @ 1500-2400 SCFM. |
| Legal Description: | 8-6S97W | | | | | | | |
| COGCC # | 66571 | | | | | | | |
| API# | 050452072900 | | | | | | | |
| Rig Name and Number: | H&P 330 | | | | | | | |
| Encana Supervisor: | BENAVIDES/CLARK | | | | | | | |
| Phone number at rig: | 281-436-6424 | 12/16/2011 | 2710 | 1105 | NO | 8.9 | 8.9 | Ran and cemented Surface Casing. Lost 1000 bbls mud while conducting this operation. Cemented with a loss circulation blend. |

All lost circulation zones, gas kicks, and water flows shall be reported to the proper authority as soon as feasible within twenty-four (24) hours of occurrence.

Significant lost circulation shall be defined as a mud loss in excess of 100 barrels and which requires shut down of operations for an hour or longer to pump lost circulation material and rebuild pit volume. The following data is required: depth, mud volume lost, whether or not a kick ensued, mud weights before and after lost circulation, and procedures used to regain circulation.



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|-----------|------|------|----|------|------|--|
| 2/11/2012 | 6525 | 864 | NO | 9.1 | 9.1 | During drilling operations losses were taken. Brought the parasite air flow up and brought drill pipe air on to control ECD's |
| 2/12/2012 | 8665 | 771 | NO | 9 | 9 | Continued losing mud during drilling operations. Slowed mud pumps down and brought air assist up to maximum. Introduced LCM into the mud system |
| 2/13/2012 | 9506 | 573 | NO | 9.1 | 9.1 | Mud losses tapered off after 8000'. Air assist, lower pump rate, and LCM maintained control. |
| 2/14/2012 | 9506 | 3490 | NO | 8.65 | 8.65 | Attempting to run casing & have encountered bndges. Losses occurred while attempting to wash through bridges. We ran parasite and air down casing string to alleviate losses, but when packed off the losses continued. Once free, losses were minimum |
| 2/15/2012 | 9506 | 309 | NO | 8.8 | 8.8 | Lost minor amount while trying POOH L/D casing. Onces above tight zone the mud losses stopped |
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