

Exhibit 7

**Subject:** RE: Excelsior 2-25 HD1, 3-25 HD1

**From:** "Biteman, Susanne (DEQ)" <BitemanS@michigan.gov>

**Date:** 4/16/2012 9:40 AM

**To:** 'Ellis Boal' <ellisboal@voyager.net>

**CC:** "Henderson, Rick (DEQ)" <HENDERSONR2@michigan.gov>, "Fitch, Hal (DEQ)" <FITCHHH@michigan.gov>, "Versical, Robert (DEQ)" <VERSICALR@michigan.gov>

Ellis,

For the permit applications in section 25 Excelsior Township- these proposed wells are horizontal wells with bottom hole location in section 25 of Excelsior Township (oil & gas wells are named by bottom hole location). See the line that starts with BHL (bottom hole location) on the attachment you sent me. The surface location for both of these wells is in the Section 1 of Oliver Township (see the line that starts with SL (surface location) on the attachment you sent me). So both the proposed State Excelsior 2-25 HD1 and the State Excelsior 3-25 HD1 have a surface hole location in Section 1, Oliver Township and would share the same drilling pad as The State Excelsior 1-25 HD1 (PN 30389). From M-72 and Sunset Trail, drive south on Sunset Trail 2.3 miles, existing drilling pad is on the west side of Sunset Trail.

I am working on the applications now and do not have an estimate of when they will be approved. Note on the attachment you sent me on the line that starts with DESC: it is noted that the applications you are inquiring about would be the 2<sup>nd</sup> and 3<sup>rd</sup> wells on a 1,280 acre R303 exception.

You are correct 17,018 and 19,677 feet refer to the measured depth, not true vertical depth.

Oil wells and gas wells are treated the same throughout the application process. Final classification will be based on production.

The Environmental Impact Assessment (EIA) Form (EQP 7200-19 (revised 1/2012); which can be found here [http://www.michigan.gov/deq/0,4561,7-135-3311\\_4111\\_4231-9207--,00.html](http://www.michigan.gov/deq/0,4561,7-135-3311_4111_4231-9207--,00.html)) B. 7. requires the applicant to indicate as part of the application process what method of well completion and well treatment will be used. Encana does intend to use hydraulic fracturing as a completion method for these wells. Applicants that submit the EIA on the old form as part of new application will be asked to resubmit the EIA using the new form revised 1/2012.

Please let me know if you have any additional questions.

Susanne Biteman  
Area Geologist  
Cadillac District Office - Office of Oil, Gas, and Minerals  
Resource Management Division  
Michigan Department of Environmental Quality  
Phone: (231) 876-4436  
Fax: (231) 775-4050  
[bitemans@michigan.gov](mailto:bitemans@michigan.gov)

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**From:** Ellis Boal [mailto:ellisboal@voyager.net]

**Sent:** Sunday, April 15, 2012 2:39 PM

**To:** Biteman, Susanne (DEQ)

**Subject:** Excelsior 2-25 HD1, 3-25 HD1

Susanne,

We have ordered copies of Encana's permit applications for these wells in section 25 Excelsior Township and they are expected in a week or two.

But I think we would like to visit the sites on Monday. Can you give us the driving directions

from M-72 and Sunset Trail?

Also do you have an estimate of the date the permitting process would likely be finished. I have seen some that sail through in less than a month, and others that linger for lengthy periods. Do you see any complications with the spacing or anything else with these two? I had thought the DEQ was leaning toward 640-acre spacing.

I think I may have initially mis-read the "depth" values given on the permit application list (17,018 and 19,677 feet) to mean true vertical depth rather than measured depth. Either way, these are the two deepest Utica-Collingwood wells I have seen in Michigan.

I notice they are labeled "oil wells" on the permit application list, not "gas wells." Is there any significance to the label in terms of how you treat the applications?

DEQ applications forms don't ask applicants to state specifically whether they intend to frack. Is there any question whether Encana does intend to frack these two?

Thanks Susanne.

Ellis

— Attachments: —

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12-04-06\_Permit Applications.pdf

18.7 KB