

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM 28748

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Encana Oil & Gas (USA) Inc.

3a. Address
370 17th Street, Suite 1700
Denver, CO 80202

ATTN: ROBYNN HADEN

3b. Phone No. (include area code)
720-876-3941

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 2257' FNL and 357' FEL Sec 26, T23N, R7W
BHL: 2210' FNL and 330' FWL Sec 26, T23N, R7W

7. If Unit of CA/Agreement, Name and/or No.

RCVD APR 8 '13

8. Well Name and No.
Lybrook H26-2307 01H

9. API Well No.
30-043-21118

OIL CONS. DIV.
DIST. 3

10. Field and Pool or Exploratory Area
Basin Mancos

11. Country or Parish, State
Sandoval, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Flaring Extension
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Encana Oil & Gas (USA) Inc. (Encana) completed the Lybrook H26-2307 01H well on 2/12/13. Encana requests an exception from APD COA IV. Gas Flaring (gas test period of 30 days from well completion or 50 MMCF, whichever comes first) and requests an additional 30 days to flare the gas from this well. This extension is requested because this well was completed using a larger frac design which resulted in larger nitrogen and water volumes and additional time is needed to remove fluid off of the formation and clean up the well and additional flaring would allow for a better understanding of the well's potential and the Lybrook area potential.

Encana intends to set production facilities beginning of April and, upon flare extension approval, will begin the 60-day extension on or about April 20, 2013.

Based on initial results of 350bbls/d, Encana estimates that an average of approximately 600 mcf/d will be flared (gas analysis attached).

CLAIMS APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Robynn Haden

Title Engineering Technologist

Signature

Robynn Haden

Date

3/21/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy L. Salvers

Title Petroleum Eng.

Date 3/26/2013

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



2030 Afton Place
Farmington, NM 87401
(505) 325-6622

Analysis No: EC130019
Cust No: 25150-11070

Well/Lease Information

Customer Name: ENCANA OIL & GAS
Well Name: LYBROOK H26-2307 01H
County/State: SANDOVAL NM
Location: H26-23N-07W
Field:
Formation: MANCOS
Cust. Stn. No.: 550100502

Source: N/A
Pressure: 220 PSIG
Sample Temp: 93 DEG. F
Well Flowing: Y
Date Sampled: 03/07/2013
Sampled By: BOB DURBIN
Foreman/Engr.:

Remarks:

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	54.761	6.0350	0.00	0.5296
CO2	0.205	0.0350	0.00	0.0031
Methane	28.072	4.7670	283.53	0.1555
Ethane	7.168	1.9200	126.85	0.0744
Propane	6.090	1.6810	153.23	0.0927
Iso-Butane	0.809	0.2650	26.31	0.0162
N-Butane	1.761	0.5560	57.45	0.0353
I-Pentane	0.402	0.1470	16.08	0.0100
N-Pentane	0.339	0.1230	13.59	0.0084
Hexane Plus	0.393	0.1760	20.72	0.0130
Total	100.000	15.7050	697.76	0.9384

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.002
BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 700.8
BTU/CU.FT (WET) CORRECTED FOR (1/Z): 688.6
REAL SPECIFIC GRAVITY: 0.9399

GPM, BTU, and SPG calculations as shown
above are based on current GPA factors.

DRY BTU @ 14.650: 697.0
DRY BTU @ 14.696: 699.2
DRY BTU @ 14.730: 700.8
DRY BTU @ 15.025: 714.8

CYLINDER #: 7018
CYLINDER PRESSURE: 217 PSIG
DATE RUN: 3/8/13 8:39 AM
ANALYSIS RUN BY: AMANDA ARMENTA



ENCANA OIL & GAS
WELL ANALYSIS COMPARISON

Lease: LYBROOK H26-2307 01H
Stn. No.: 550100502
Mtr. No.:

N/A
MANCOS

03/11/2013
25150-11070

Smpl Date: 03/07/2013
Test Date: 03/08/2013
Run No: EC130019
Nitrogen: 54.761
CO2: 0.205
Methane: 28.072
Ethane: 7.168
Propane: 6.090
I-Butane: 0.809
N-Butane: 1.761
I-Pentane: 0.402
N-Pentane: 0.339
Hexane+: 0.393
BTU: 700.8
GPM: 15.7050
SPG: 0.9399