

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011
Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Encana Oil & Gas (USA) Inc. 30-045-35391
whose address is 370 17th Street, Suite 1700 Denver, CO 80202,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
December 31, Yr 2013, for the following described tank battery (or LACT):
Name of Lease Escrito H31-2409 01H Name of Pool Bisti Lower-Gallup
Location of Battery: Unit Letter H Section 31 Township 24N Range 9W
Number of wells producing into battery 1
- B. Based upon oil production of 364 barrels per day, the estimated * volume
of gas to be flared is ~34,200 MCF; Value ~950mcf per day.
- C. Name and location of nearest gas gathering facility: _____
Encana Good Times Trunk #1 - East
- D. Distance ~900' north of wellpad Estimated cost of connection ~\$135,000
- E. This exception is requested for the following reasons: Pipeline constraints, and the 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 the formation and clean up the well.

RCVD NOV 21 '13
OIL CONS. DIV.
DIST. 3

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature

Amanda Cavoto

Printed Name & Title

Amanda Cavoto, Engineering Technologist

E-mail Address amanda.cavoto@encana.com

Date 11/20/13 Telephone No. 720-876-3437

OIL CONSERVATION DIVISION

Approved Until 12-31-2013

By

Charles Berni

Title

SUPERVISOR DISTRICT # 3

Date

NOV 30 2013

* Gas-Oil ratio test may be required to verify estimated gas volume.