

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.
whose address is 370 17th Street, Suite 1700
hereby requests an exception to Rule 19.15.18.12 for 30 days days or until
03/24, Yr 2014, for the following described tank battery (or LACT):
Name of Lease NO-G-0905-1759/NO-G-0902-1754 Name of Pool South Bisti-Gallup
Location of Battery: Unit Letter P Section 34 Township 24 Range 10
Number of wells producing into battery 1
- B. Based upon oil production of 169 barrels per day, the estimated * volume
of gas to be flared is 626 MCF; Value \$1,250 per day.
- C. Name and location of nearest gas gathering facility:
Good Times Trunk, SESE Section 35, Township 24N, Range 10W
- D. Distance 2,980' Estimated cost of connection \$273,000 buried / \$30,000 surface
- E. This exception is requested for the following reasons: lengthy permit timeframe associated with buried
well connect (see attached). Encana has received BLM permission to extend flaring until 03/24/14 and
anticipates receiving FIMO permission for the pipeline in the next few weeks. Construction will commence
upon FIMP approval.

API 30-045-35367

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 Holly Hill

Printed Name
& Title Holly Hill, Regulatory Analyst

E-mail Address holly.hill@encana.com

Date 02/20/14 Telephone No. 720-876-5331

OIL CONSERVATION DIVISION

Approved Until 3-24-2014

By Charles Herrin

Title SUPERVISOR DISTRICT # 3

Date FEB 24 2014

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