

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)

RCVD SEP 22 '14

OIL CON. DIV.

DIST. 3

A. Applicant Encana Oil & Gas (Inc.)

whose address is 370 17th Street, Suite 1700, Denver CO 80202

hereby requests an exception to Rule 19.15.18.12 for Thirty (30) days or until

October 19th, Yr 2014, for the following described tank battery (or LACT):

Lybrook 132-2306 02H

Name of Lease API:30-043-21125

Name of Pool Lybrook Gallup

Location of Battery: Unit Letter 1 Section 32 Township 23N Range 6W

Number of wells producing into battery 2

B. Based upon oil production of 100 barrels per day, the estimated \* volume

of gas to be flared is 774 MCF; Value \$761 per day.

C. Name and location of nearest gas gathering facility:

Enterprise

D. Distance 0 ft Estimated cost of connection no cost - already connected

E. This exception is requested for the following reasons: This well was "hit" by offset fracing. We believe  
the N2 used in the frac or the N2 used for the plug drillouts in the offset wells may have been contaminated

with O2 and it migrated to our wells during the downhole operations causing a high reading of O2 (2800 ppm).

Pipeline will not accept gas in excess of 10 ppm.

**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 Cristi Bauer

Printed Name

& Title Cristi Bauer, Operations Technician

E-mail Address Cristi.Bauer@encana.com

Date 9/18/14 Telephone No. 720-876-5867

**OIL CONSERVATION DIVISION**

Approved Until 10-22-14

By Charles Kern 9-22-14

Title SUPERVISOR DISTRICT # 3

Date SEP 22 2014

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