

Submit 1 Copy To Appropriate District Office •
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-043-21125
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. ROVD SEP 18 '14
7. Lease Name or Unit Agreement Name Lybrook I32-2306 OIL CONS. DIV.
8. Well Number 02H DIST. 3
9. OGRID Number 282327
10. Pool name or Wildcat Lybrook Gallup

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐	
2. Name of Operator Encana Oil & Gas (USA) Inc.	
3. Address of Operator 370 17 th Street, Suite 1700 Denver, CO 80202	
4. Well Location SHL: Unit Letter I: 1298 feet from the SOUTH line and 358 feet from the EAST line BHL: Unit Letter M: 341 feet from the SOUTH line and 352 feet from the WEST line Section 32 Township 23N Range 6W NMPM Sandoval County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7103' GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Emergency Flare Extension ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Encana Oil & Gas (USA) Inc. (Encana) completed the Lybrook I32-2306 02H well on 6/21/13. 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 "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) and pipeline will not accept gas in excess of 10 ppm.

The Lybrook I32-2306 02H is capable of producing 775 mcf/d (57%N2, 574 BTU), 11 bopd. Production prior to being hit by the frac was 297 mcf/d, 100 bopd.

The only way we can return these wells to production is to be able to flare the gas to clean it up. We expect this to take no more than 30 days.

Attached is a current Gas Analysis Report.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cristi Bauer TITLE Engineering Technician DATE 9/16/14

Type or print name: Cristi Bauer
For State Use Only

E-mail address: cristi.bauer@encan.com

PHONE: 720-876-5867

APPROVED BY: Charles TITLE SUPERVISOR DISTRICT # 3 DATE 9-22-14
Conditions of Approval (if any):



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

Analysis No: EC140321
Cust No: 25150-11100

Well/Lease Information

Customer Name: ENCANA OIL & GAS
Well Name: LYBROOK I32-2306 #02H
County/State: SANDOVAL NM
Location: I32-23N-06W
Field:
Formation:
Cust. Stn. No.: 550100571
AFE# 72170

Source:
Pressure: 691 PSIG
Sample Temp: DEG. F
Well Flowing: Y
Date Sampled: 09/10/2014
Sampled By: BOB DURBIN
Foreman/Engr.:

Remarks: SAMPLED @ WELLHEAD TUBING

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	56.788	6.2550	0.00	0.5493
CO2	0.210	0.0360	0.00	0.0032
Methane	31.720	5.3840	320.37	0.1757
Ethane	5.620	1.5050	99.46	0.0583
Propane	3.683	1.0160	92.67	0.0561
Iso-Butane	0.434	0.1420	14.11	0.0087
N-Butane	1.042	0.3290	33.99	0.0209
I-Pentane	0.210	0.0770	8.40	0.0052
N-Pentane	0.185	0.0670	7.42	0.0046
Hexane Plus	0.108	0.0480	5.69	0.0036
Total	100.000	14.8590	582.11	0.8856

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0014
BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 584.3
BTU/CU.FT (WET) CORRECTED FOR (1/Z): 574.1
REAL SPECIFIC GRAVITY: 0.8865

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

DRY BTU @ 14.650: 581.1
DRY BTU @ 14.696: 583.0
DRY BTU @ 14.730: 584.3
DRY BTU @ 15.025: 596.0

CYLINDER #: 4145
CYLINDER PRESSURE: 607 PSIG
DATE RUN: 9/11/14 8:16 AM
ANALYSIS RUN BY: JENNIFER DEAN



ENCANA OIL & GAS
WELL ANALYSIS COMPARISON

Lease: LYBROOK I32-2306 #02H
Stn. No.: 550100571
Mtr. No.: AFE# 72170

09/11/2014
25150-11100

Smpl Date:	09/10/2014	09/02/2014	08/01/2014	07/01/2014	06/02/2014	05/01/2014	04/07/2014
Test Date:	09/11/2014	09/03/2014	08/06/2014	07/07/2014	06/09/2014	05/21/2014	04/21/2014
Run No:	EC140321	EC140314	EC140265	EC140223	EC140188	EC140163	EC140123
Nitrogen:	56.788	67.115	3.915	4.850	2.487	0.269	3.426
CO2:	0.210	0.199	0.332	0.326	0.301	0.371	0.349
Methane:	31.720	24.018	72.438	69.386	48.968	15.354	62.758
Ethane:	5.620	4.162	13.156	13.245	19.429	65.908	18.075
Propane:	3.683	2.675	7.155	8.167	17.602	0.000	10.955
I-Butane:	0.434	0.322	0.711	0.929	2.322	2.694	1.086
N-Butane:	1.042	0.823	1.500	2.009	5.351	0.023	2.277
I-Pentane:	0.210	0.199	0.292	0.390	1.190	7.274	0.424
N-Pentane:	0.185	0.193	0.246	0.329	1.064	5.842	0.348
Hexane+:	0.108	0.294	0.255	0.369	1.286	2.265	0.302
BTU:	584.3	453.6	1259.1	1292.8	1706.1	2084.2	1395.6
GPM:	14.8590	13.9900	19.3390	19.5810	22.6790	27.3190	20.5080
SPG:	0.8865	0.9122	0.7584	0.7900	1.0296	1.2482	0.8408
	03/17/2014	02/11/2014	01/31/2014	01/15/2014	10/28/2013	10/07/2013	09/13/2013
	04/01/2014	02/26/2014	02/03/2014	01/30/2014	11/19/2013	10/15/2013	09/19/2013
	EC140086	EC140052	EC140035	EC140020	EC130213	EC130188	EC130161
	5.695	11.834	5.414	8.928	10.963	14.482	22.627
	0.301	0.278	0.326	0.283	0.290	0.272	0.251
	67.480	64.896	64.124	69.990	67.312	64.125	56.597
	13.928	12.133	16.024	11.568	11.911	11.533	12.027
	8.872	7.681	9.922	6.377	6.698	6.489	6.207
	0.880	0.837	1.038	0.656	0.692	0.720	0.581
	1.860	1.660	2.172	1.390	1.433	1.540	1.170
	0.376	0.249	0.388	0.261	0.265	0.303	0.206
	0.287	0.206	0.318	0.221	0.223	0.257	0.171
	0.322	0.226	0.274	0.326	0.213	0.279	0.163
	1292.2	1181.7	1337.0	1181.9	1165.7	1132.0	1026.6
	19.6200	18.8370	20.0270	18.7770	18.7050	18.4860	17.8690
	0.7981	0.7924	0.8242	0.7616	0.7730	0.7887	0.8074



ENCANA OIL & GAS
WELL ANALYSIS COMPARISON

Lease: LYBROOK I32-2306 #02H
Stn. No.: 550100571
Mtr. No.: AFE# 72170

09/11/2014
25150-11100

09/06/2013	07/17/2013	07/11/2013
09/09/2013	07/18/2013	07/12/2013
EC130149	EC130100	EC130094
32.517	36.675	48.509
0.221	0.213	0.182
48.938	39.054	32.355
9.602	9.485	7.439
5.945	8.094	6.355
0.644	1.184	0.927
1.358	2.877	2.266
0.271	0.759	0.608
0.232	0.701	0.563
0.272	0.958	0.796
917.9	1013.0	815.1
17.0990	17.7660	16.4290
0.8426	0.9483	0.9466