

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.

Santa Fe, NM 87505

CONFIDENTIAL

Form C-103  
Revised July 18, 2013

WELL API NO.

30-043-21198

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

ST NM V-1697, ST NM LG-3924

7. Lease Name or Unit Agreement Name  
Lybrook P32-2307

8. Well Number

01H

9. OGRID Number

282327

10. Pool name or Wildcat

Alamito-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 17th Street, Suite 1700 Denver, CO 80202

4. Well Location

Unit Letter P : 664 feet from the SOUTH line and 31 feet from the EAST line

Section 32 Township 23N Range 7W NMPM County SANDOVAL

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6874' GR

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 ☐

CLOSED-LOOP SYSTEM ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: Pre-Installation of Gas Lift ☒

RCUD SEP 26 '14

OIL CONS. DIV.

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.

DIST. 3

Encana Oil & Gas (USA) Inc. is requesting authorization to install gas lift at the Lybrook P32-2307 01H well. Attached is a schematic of the pad with gas lift and the gas allocation procedure.

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

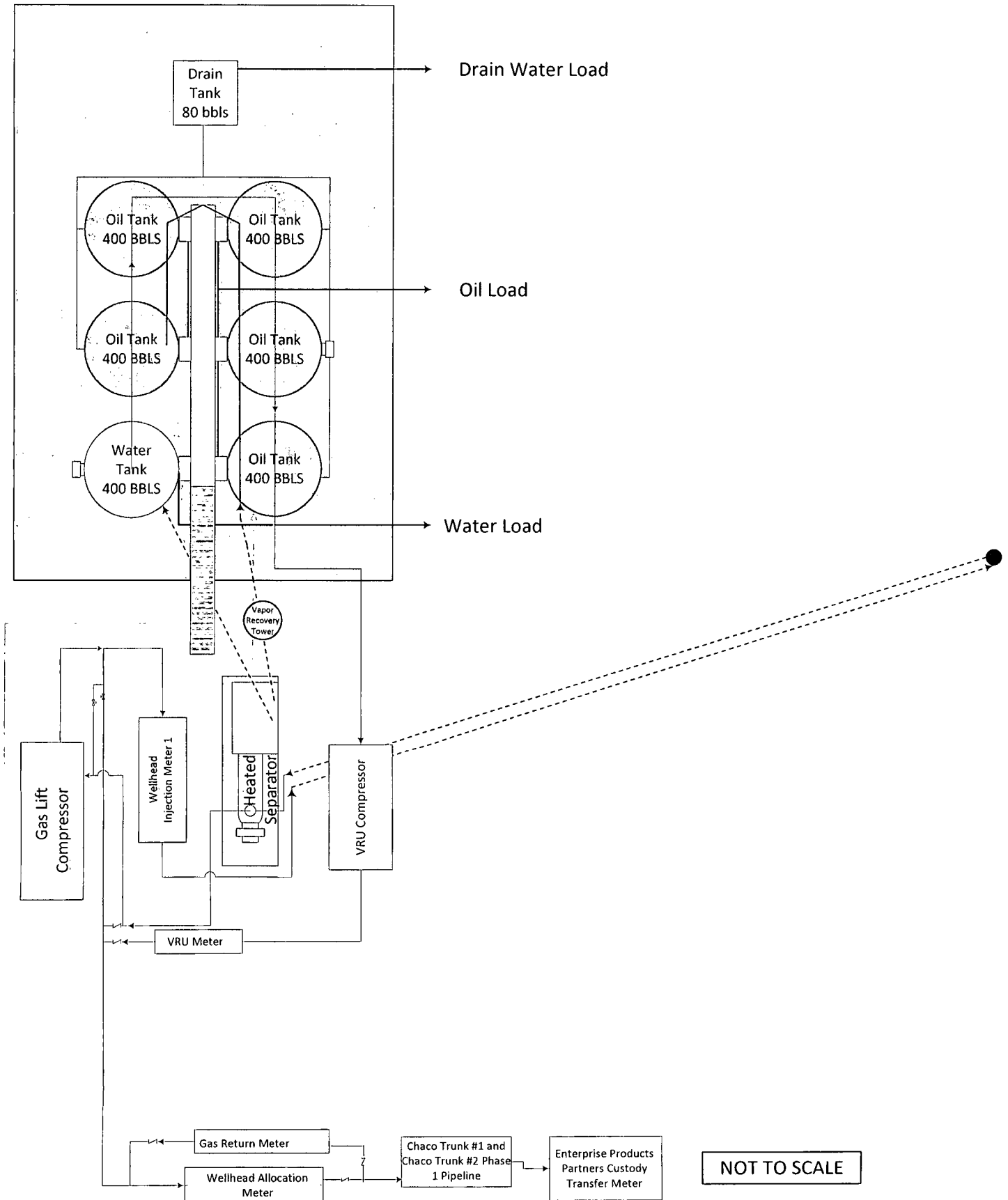
SIGNATURE CRISTI BAUER TITLE Operations Technician DATE 9/23/14

Type or print name Cristi Bauer E-mail address: Cristi.Bauer@encana.com PHONE: 720-876-5867

For State Use Only

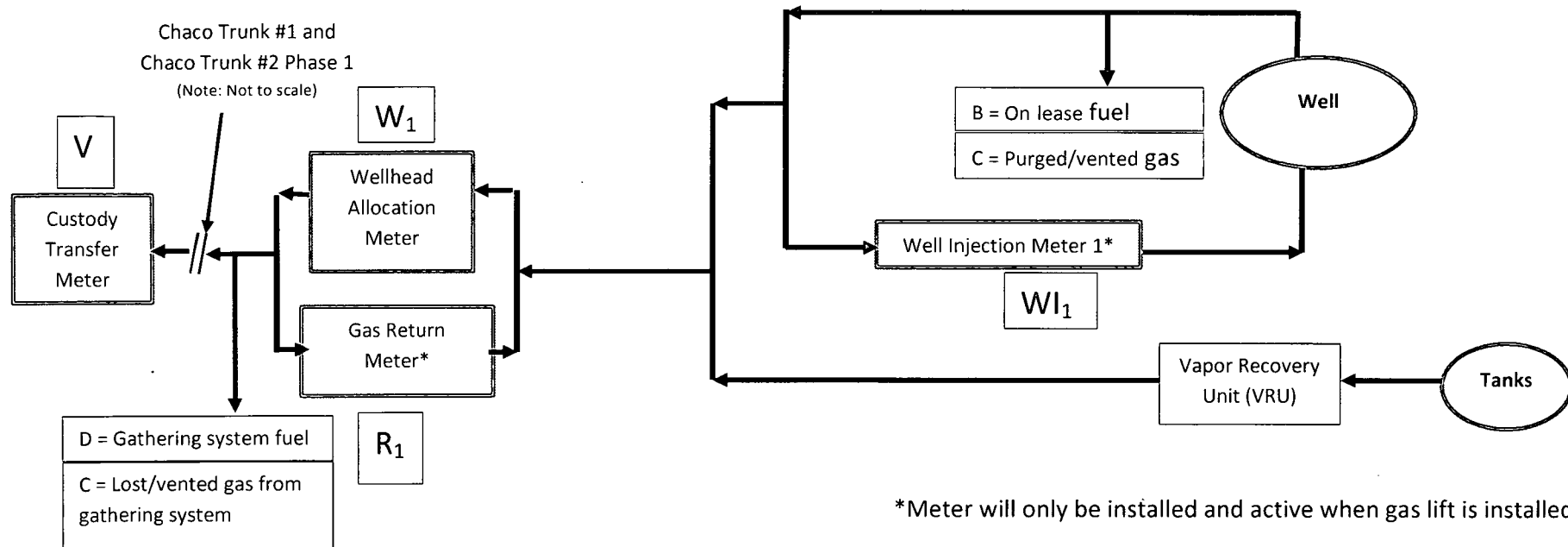
APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE 9/30/14  
Conditions of Approval (if any): AC

# Lybrook P32-2307 01H



Attachment No. 5  
Encana Oil & Gas (USA) Inc.  
Chaco Trunk #1 and Chaco Trunk #2 Phase 1 Gathering System  
San Juan and Sandoval Counties, New Mexico

**Gas Measurement Allocation Procedure for Single Well Pads**



**Base Data:**

V = Gas Volume (MCF) from Custody Transfer Meter during allocation period (Enterprise Products Partners)

R = Gas Volume (MCF) from Gas Return Meter (Encana)\*

W<sub>1</sub> = Gas Volume (MCF) from Wellhead Allocation Meter at individual wells during allocation period. (Encana)

WI<sub>1</sub> = Gas Volume (MCF) from Well Injection Meter at individual wells during allocation period. (Encana)\*

Y = Heating Value (BTU/scf) from Custody Transfer Meter during allocation period. (Enterprise Products Partners)

Z = Heating Value (BTU/scf) from individual Wellhead Allocation Meter and Well Injection Meter. (Encana)

Allocation Period is typically a calendar month and will be the same for all individual wells.

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Encana Oil & Gas (USA) Inc.  
Chaco Trunk #1 and Chaco Trunk #2 Phase 1 Gathering System  
San Juan and Sandoval Counties, New Mexico

**Individual Well Gas Production** = A + B + C + D + E

A = Allocated Gas production off lease, MCF:  $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]*(V)$

B = On lease fuel usage, MCF. Determined from equipment specification and operating conditions. This includes, but is not limited to, compression, vapor recovery unit (VRU) compression, burners, and pump jacks.

C = Lost and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment and piping specifications and operating pressures.

D = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by  $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]$ .

E = Allocated volume of gas lost and/or vented from the gathering system, gathering system equipment, condensate collection, and water collection in MCF. The total volume will be determined using industry accepted procedures the time of the loss. The total volumes lost and/or vented will be allocated to the individual wells affected using factors determined  $[(W_1-R_1)/((W_1-R_1)+(W_2-R_2)+(W_n-R_n))]$ .

**Individual Well BTU's** =  $[[{(W_n-W_{In})*Z_n}]/\{SUM((W_n-W_{In})*Z_n)\}*(V*Y)*1000]$

Individual well gas heating values to be determined in accordance with BLM regulations.