

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

SEP 10 2014

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
Order No. R-13856

6. If Indian, Allottee or Tribe Name
N/A

RCVD SEP 25 '14
OIL CONS. DIV.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

7. If Unit of CA/Agreement, Name and/or No.

DIST. 3

2. Name of Operator
Encana Oil & Gas (USA) Inc.

8. Well Name and No.
Nageezi Unit D34-2409Y 03H

9. API Well No.
30-045-35583

3a. Address
370 17th Street, Suite 1700
Denver, CO 80202

3b. Phone No. (include area code)
720-876-5867

10. Field and Pool or Exploratory Area
Nageezi Unit HZ (Oil)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 1136 FNL and 523' FWL Section 34, T24N, R9W
BHL: 1870' FNL and 330' FWL Section 33, T24N, R9W

11. Country or Parish, State
San Juan, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Installation of
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Gas Lift
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Encana Oil & Gas (USA) Inc. is requesting authorization to install gas lift at the Nageezi Unit D34-2409Y 03H well. Attached is a schematic of the pad with gas lift and the gas allocation procedure.

THIS SPACE FOR
SIGNATURES OF APPROVAL

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Cristi Bauer

Title Operations Technician

Signature

Cristi Bauer

Date

9/8/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Petr. Eng

Date

9/23/14

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

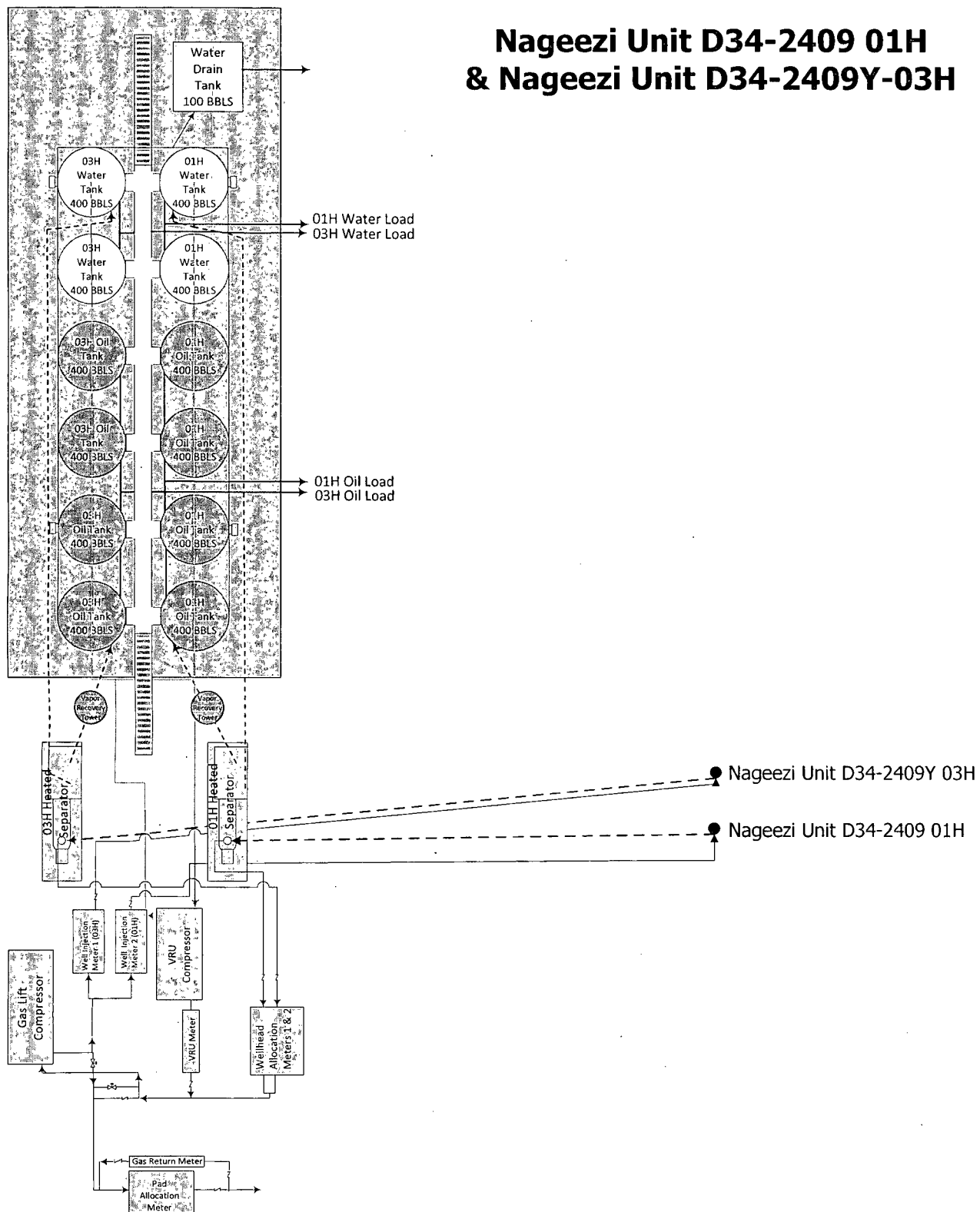
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCDA

6

**Nageezi Unit D34-2409 01H
& Nageezi Unit D34-2409Y-03H**



FILENAME

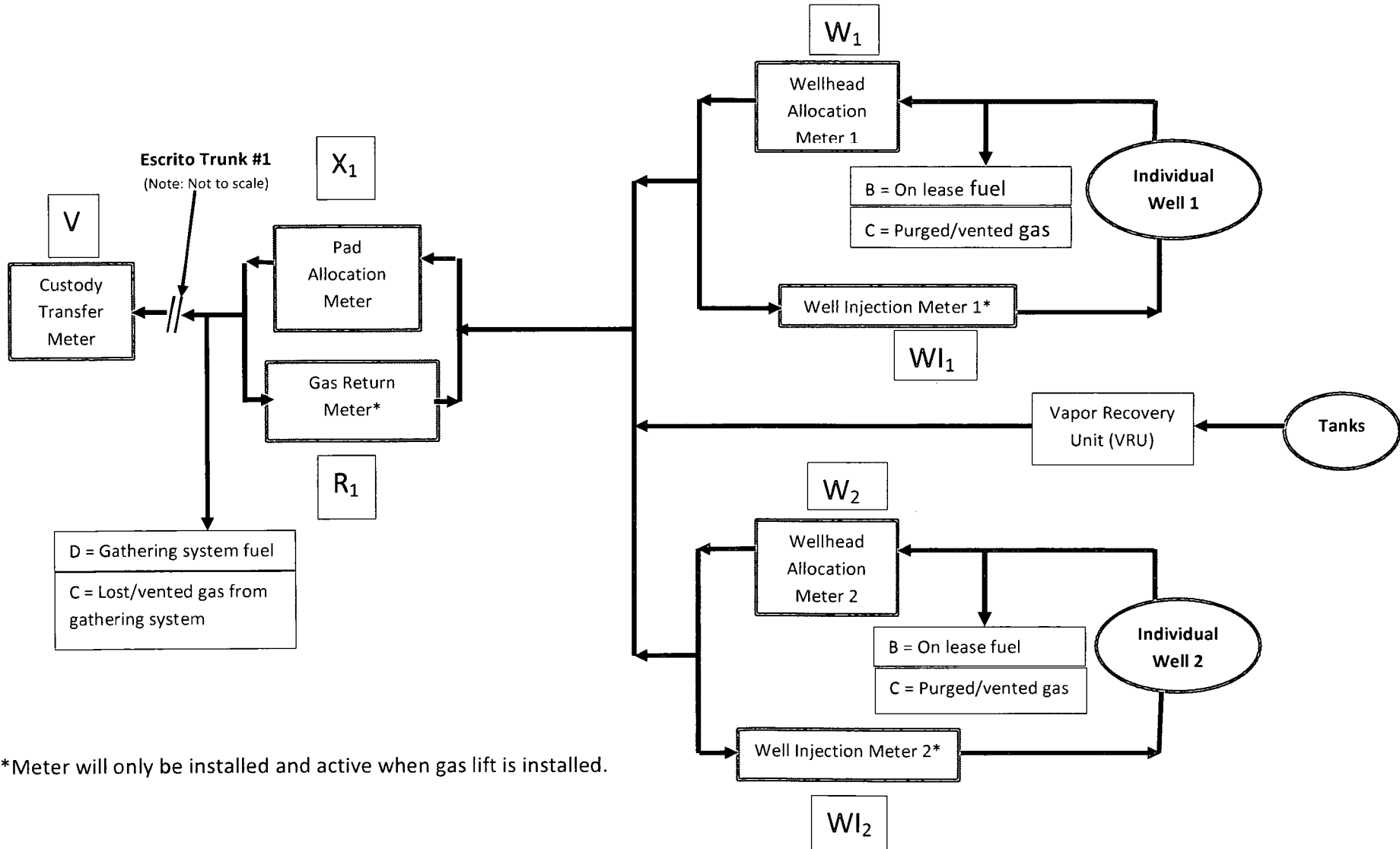
D34 Schematic

NOT TO SCALE

DATE _____

9/4/14

Gas Measurement Allocation Procedure for Multi-Well Pads





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
6252 College Blvd., Suite A
Farmington, New Mexico 87402

IN REPLY REFER TO:

CONDITIONS OF APPROVAL FOR GAS LIFT & BUY BACK METER INSTALLATIONS:

- The buy-back meter isolation valve, either up or down stream of the buy-back meter must be effectively sealed in the closed position to prevent produced gas from potentially by-passing the measurement and sales meter. In lieu of the seal requirement at least two check valves can be installed in line with the buy-back meter to prevent produced gas from potentially by-passing the measurement and sales meter.

Contact this office so a BLM witness verify installation of either the seal or check valves.

- If seals are installed, seal records must be maintained and made available upon request.
 - Post a Facility sign that **Clearly identifies both the sales and by-back meters.**