

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.
V0 9212

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

7. If Unit of CA/Agreement, Name and/or No.
NMNM 131017X

8. Well Name and No.
Gallo Canyon Unit P26-2306 01H

9. API Well No.
30-043-21207

10. Field and Pool or Exploratory Area
Counselors Gallup-Dakota

11. County or Parish, State
Sandoval County, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

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

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

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

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)
SHL: 249' FSL and 969' FEL Section 26, T23N, R6W
BHL: 300' FSL and 2518' FEL Section 36, T23N, R6W

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Flare Extension
	<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 recomplete 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 recompletion 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. completed the Gallo Canyon Unit P26-2306 01H on 05/19/15. Encana requests an exception from NTL 4A, III C 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 N2 content is still notably high. We do not meet pipeline specs for N2 content and need to flare the gas until N2 levels are at sustainable levels for the pipeline."

Encana estimates that approximately 0.70 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

JUN 19 2015

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

Cristi Bauer

Title Regulatory Analyst

Signature

Cristi Bauer

Date

6/15/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

B. Mankie

Title

AFM

Date

6/16/15

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.

Office

FFO

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)

NMOCD

KC
3



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

Analysis No: EC150365
Cust No: 25150-11570

Well/Lease Information

Customer Name: ENCANA OIL & GAS
Well Name: GALLO CANYON P26-2306 #01H
County/State: SANDOVAL
Location: P26-23N-06W
Field:
Formation:
Cust. Stn. No.: 15185131

Source:
Pressure: 220 PSIG
Sample Temp: DEG. F
Well Flowing: Y
Date Sampled: 06/11/2015
Sampled By: SEAN CASAUS
Foreman/Engr.: TONY FERRARI

Remarks:

Analysis

Component:	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	27.157	2.9950	0.00	0.2627
CO2	0.325	0.0560	0.00	0.0049
Methane	55.384	9.4120	559.38	0.3068
Ethane	7.024	1.8830	124.30	0.0729
Propane	6.377	1.7610	160.45	0.0971
Iso-Butane	0.723	0.2370	23.51	0.0145
N-Butane	1.895	0.5990	61.82	0.0380
I-Pentane	0.359	0.1320	14.36	0.0089
N-Pentane	0.339	0.1230	13.59	0.0084
Hexane Plus	0.417	0.1860	21.98	0.0138
Total	100.000	17.3840	979.40	0.8281

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0027

BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 984.3

BTU/CU.FT (WET) CORRECTED FOR (1/Z): 967.2

REAL SPECIFIC GRAVITY: 0.83

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

DRY BTU @ 14.650: 979.0

DRY BTU @ 14.696: 982.0

DRY BTU @ 14.730: 984.3

DRY BTU @ 15.025: 1004.0

CYLINDER #: 4136

CYLINDER PRESSURE: 168 PSIG

DATE RUN: 6/11/15 3:54 PM

ANALYSIS RUN BY: PATRICIA KING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



In Reply Refer To:

Conditions of Approval:

Gallo Canyon Unit P26-2306 01H

Section 26-23N-6W

Lease No. VO 9212

- Flaring is authorized pursuant to NTL 4A Part III A and IV B. As such, no royalty obligation will be incurred during the clean-up period. The flared volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the flaring period.
- Flaring will be authorized until July 19, 2015. If additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the flaring period.