

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-5 form.

Operator Signature Date: **Original APD 5/12/2014** Sundry Extension Date 8/9/2017

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-35546-00-00	GOOD TIMES L10-2309	001H	ENCANA OIL & GAS (USA) INC.	O	N	San Juan	F	L	10	23	N	9	W

Conditions of Approval:

(See the below checked and handwritten conditions)

- ✓ Notify Aztec OCD 24hrs prior to casing & cement.
- ✓ Hold C-104 for directional survey & "As Drilled" Plat
- ✓ Hold C-104 for NSL, NSP, DHC,
- ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ✓ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - ✓ A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - ✓ A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - ✓ A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- ✓ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ✓ Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.
- ✓ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

September 8, 2017

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- ✓ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ✓ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.
- ✓ Comply with current regulations at time of spud
Prior to production operator needs to be in compliance with RULE 19.15.5.9



NMOCD Approved by Signature

8/22/17

Date

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 10 2017

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Encana Oil & Gas (USA) Inc.3a. Address
370 17th Street, Suite 1700
Denver, CO 802023b. Phone No. (include area code)
720-876-35334. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 1455' FSL and 288' FWL, Sec 10, T23N, R9W
BHL: 1750' FSL and 330' FWL, Sec 9, T23N, R9W5. Lease Serial No.
NMNM 80056. If Indian, Allottee or Tribe Name
N/A7. If Unit of CA/Agreement, Name and/or No.
NMNM 132981A8. Well Name and No.
Nageezi Unit 503H9. API Well No.
30-045-3554610. Field and Pool or Exploratory Area
Nageezi Unit HZ (Oil)11. Country or Parish, State
San Juan County, NM

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 <u>Well Name Change</u>
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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. finalized the formation of a 10,415.12 acre Federal exploratory unit named the Nageezi Unit. The Nageezi Unit hearing occurred on May 29, 2014 at the New Mexico Oil Conservation Division in Santa Fe, in which, Encana requested an undivided unit be formed that would also encompass its own unique oil pool designation.

In a sundry dated October 23, 2014, Encana requested that the name of the Good Times L10-2309 01H well, which is now part of the Nageezi Unit, be changed to Nageezi Unit L10-2309 01H. Encana requests that the name be updated again to Nageezi Unit 503H to reflect Encana's new naming convention for units.

OIL CONS. DIV DIST. 3

AUG 18 2017

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Katie Wegner

Title Senior Regulatory Analyst

Signature

Date 08/09/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Abdelgadir Elmadani

Title PE

Date 8/10/17

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)

NMOCDV

AUG 18 2017

Form C-102

Revised August 1, 2011

DISTRICT I1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720**DISTRICT II**811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-0720**DISTRICT III**1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**DISTRICT IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505Submit one copy to appropriate
District Office☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35546		² Pool Code 98080	³ Pool Name NAGEEZI UNIT HZ (OIL)
⁴ Property Code 315244	⁵ Property Name NAGEEZI UNIT		⁶ Well Number 503H
⁷ GRID No. 282327	⁸ Operator Name ENCANA OIL & GAS (USA) INC.		⁹ Elevation 6754.0'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	23N	9W		1455'	SOUTH	288'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	9	23N	9W		1750'	SOUTH	330'	WEST	SAN JUAN

¹² Dedicated Acres PENETRATED SPACING UNIT: S2 SEC 9 (320 ACRES)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-13856A (10,415.12 ACRES)
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

1 LAT. 36.24147° N (NAD83) LONG. 107.80326° W (NAD83) LAT. 36.24148° N (NAD27) LONG. 107.80388° W (NAD27)	3 LAT. 36.24151° N (NAD83) LONG. 107.78532° W (NAD83) LAT. 36.24152° N (NAD27) LONG. 107.78593° W (NAD27)	5 LAT. 36.23393° N (NAD83) LONG. 107.77627° W (NAD83) LAT. 36.23394° N (NAD27) LONG. 107.77688° W (NAD27)
2 LAT. 36.23409° N (NAD83) LONG. 107.80318° W (NAD83) LAT. 36.23410° N (NAD27) LONG. 107.80380° W (NAD27)	4 LAT. 36.23425° N (NAD83) LONG. 107.78526° W (NAD83) LAT. 36.23426° N (NAD27) LONG. 107.78587° W (NAD27)	

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Katie Wegner 8/9/17
Signature Date

Katie Wegner

Printed Name

katie.wegner@encana.com

E-mail Address

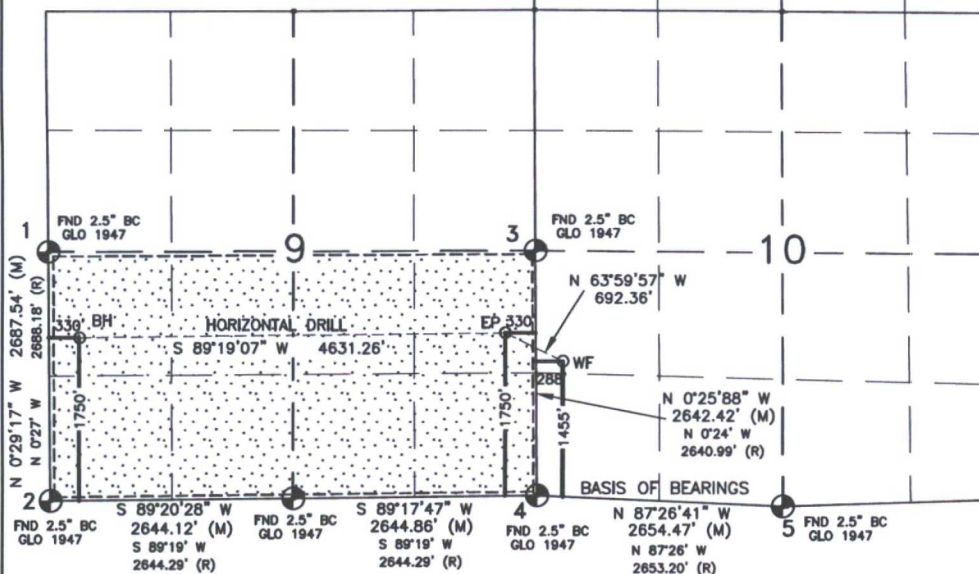
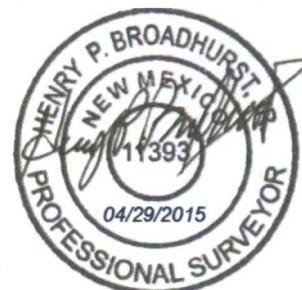
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 10, 2013

Date of Survey

Signature and Seal of Professional Surveyor:



BOTTOM HOLE

LAT. 36.238903° N (NAD83)
LONG. 107.802121° W (NAD83)
LAT. 36.238891° N (NAD27)
LONG. 107.802506° W (NAD27)

ENTRY POINT

LAT. 36.239049° N (NAD83)
LONG. 107.786425° W (NAD83)
LAT. 36.239036° N (NAD27)
LONG. 107.785810° W (NAD27)

WELL FLAG

LAT. 36.238214° N (NAD83)
LONG. 107.784316° W (NAD83)
LAT. 36.238214° N (NAD27)
LONG. 107.783701° W (NAD27)

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

ENCANA OIL & GAS (USA) INC.
NAGEEZI UNIT #503H

