



October 8, 2018

Ms. Kate Pickford  
District Geologist  
New Mexico Oil Conservation District, District III  
1000 Rio Brazos Road  
Aztec, NM 87410

**NMOC**

**OCT 12 2018**

**DISTRICT III**

**RE: Form C-219 Exception to No Flare Rule for Nageezi 405H 406H (K03)**

Dear Ms. Pickford:

Encana Services Company Ltd. (Encana) submits the attached C-129 Application for Exception to No-Flare Rule 19.15.18.12 for the Nageezi Unit 405H and 406H (K03). Encana is requesting this exception because the wells at this facility have excess oxygen downhole and cannot meet pipeline specifications. The facility is tied into the gathering system but due to the excess oxygen the gas must be flared until the cause of the issue can be determined and solved. Please feel free to contact me if you have any questions or require additional information at 720-876-3513 or paul.buck@encana.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul Buck", written over a light blue horizontal line.

Paul Buck  
Manager, Field Environmental, Western Operations

Encana Oil & Gas (USA) Inc., by its authorized agent,  
Encana Services Company Ltd.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
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

Form C-129  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

NFO Permit No. \_\_\_\_\_  
(For Division Use Only)

**APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12**

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

30-045-35841  
NMOC

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DISTRICT III

- A. Applicant Encana Oil and Gas (USA) Inc.,  
whose address is 370 17<sup>th</sup> Street, Suite 1700 Denver, CO 80202,  
hereby requests an exception to Rule 19.15.18.12 From October 14, 2018 until  
November 30, 2018, for the following described tank battery (or LACT):  
Name of Lease Nageezi 405H (K03) Name of Pool Nageezi Unit; Mancos  
Location of Battery: Unit Letter K Section 3 Township 23N Range 9W  
Number of wells producing into battery 2
- B. Based upon oil production of \_\_\_\_\_ barrels per day, the estimated \* volume  
of gas to be flared is 14,000 MCF; Value \$4,236 per day.
- C. Name and location of nearest gas gathering facility:  
Enterprise Bisti Compressor Station, Section 29 T25N R9W
- D. Distance ~10 miles Estimated cost of connection It is currently connected
- E. This exception is requested for the following reasons: \_\_\_\_\_

There is excess oxygen down hole in the well. The well is currently shut in due to offset fracturing. The well will comeback on line on October 14, 2018. The O2 is high enough that the gas cannot meet pipeline specifications and the gas must be flared until Encana can determine the cause of and solve the issue.

<b>OPERATOR</b> I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature <u>Paul Buck</u> Printed Name & Title <u>Paul Buck, Manager, Field Environmental</u> E-mail Address <u>paul.buck@encana.com</u> Date <u>10/04/2018</u> Telephone No. <u>720-876-3513</u>	<b>OIL CONSERVATION DIVISION</b> Approved Until <u>11-14-2018</u> By <u>Charlie</u> Title <u>SUPERVISOR DISTRICT #3</u> Date <u>10-12-18</u> <u>Provide GAS ANALYSIS on future ReQuest for Extension</u>
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\* Gas-Oil ratio test may be required to verify estimated gas volume.

AV