State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director
Oil Conservation Division



ADMINISTRATIVE OFF-LEASE MEASUREMENT ORDER

Administrative Order OLM-79 Application Reference No. pAXK1319838109

August 14, 2013

Encana Oil & Gas (USA) Inc. Attention: Ms. Holly Hill

Encana Oil & Gas (USA) Inc. (OGRID 282327) is hereby authorized to measure oil, gas and condensate production off-lease from the following well, producing from the Escrito; Gallup Associated Pool (22619) in Rio Arriba County, New Mexico:

Escrito E26-2407 Well No. 1H (API No. 30-039-31148), Unit E, Section 26, T-24N, R-7W.

The gas production from this well shall be measured through an allocation meter at the wellhead in Unit E of Section 26 (which is off-lease from the perspective of the lease from which the product is produced from Section 27), and at Enterprise Products Partners' custody transfer meter in Unit O, Section 23, Township 24 North, Range 7 West, NMPM, in Rio Arriba, New Mexico. Oil and condensate production will be measured and stored at, and sold from, the wellhead in Unit E of Section 26.

The surface commingling of oil, gas or condensate with production from other pools or leases is NOT authorized.

The operator shall notify the Aztec district office of the Division before commencement of Off-Lease Measurement.

The approval is subject to like approval by the United States Bureau of Land Management.

Jami Bailey

Division Director

JB/db

cc: Oil Conservation Division – Aztec

United States Bureau of Land Management