

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)

- A. Applicant Encana Oil & Gas (USA) Inc.,
whose address is 370 17th Street, Suite 1700, Denver, CO 80202,
hereby requests an exception to Rule 19.15.18.12 for 60 days days or until
June 19, Yr 2013, for the following described tank battery (or LACT):
Name of Lease Lybrook H26-2307 02H Name of Pool Basin Mancos
Location of Battery: Unit Letter H Section 26 Township 23N Range 7W
Number of wells producing into battery 1 30-043-21133
- B. Based upon oil production of 0 barrels per day, the estimated * volume
of gas to be flared is 1000 MCF; Value \$1518 per day.
- C. Name and location of nearest gas gathering facility:
Enterprise Lateral 2C-161 pipeline
- D. Distance 761 ft Estimated cost of connection \$28,000
- E. This exception is requested for the following reasons: This well was completed using
a larger frac design which resulted in larger nitrogen and water volumes
and additional time is needed to remove fluid off of the formation and
clean up the well and additional flaring would allow for a better
understanding of the wells potential and the Lybrook area potential.

**RCVD APR 8 '13
OIL CONS. DIV.
DIST. 3**

OPERATOR

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 Robynn Haden

Printed Name
& Title Robynn Haden

E-mail Address robynn.haden@encana.com

Date 4/4/13 Telephone No. 720.876.3941

OIL CONSERVATION DIVISION

Approved Until SAlealle

By Charles Lew

Title SUPERVISOR DISTRICT 03

Date 4-12-13

* Gas-Oil ratio test may be required to verify estimated gas volume.