

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



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 3160-4 or 3160-5 form.

Operator Signature Date: March 24th, 2014

Application Type:

- P&A
 Drilling/Casing Change
 Recomplete/DHC
 Location Change
 Other:

Well information:

API WEL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-05381-00-00	LYBROOK	004	ENCANA OIL & GAS (USA) INC.	O	A	Rio Arriba	F	J	22	24	N	7	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Add Chacra plug from 2560-2460



 NMOCD Approved by Signature

4-1-2014
 Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 26 2014

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.

2014
5. Lease Serial No.
NMSF-078562
6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Encana Oil & Gas (USA) Inc.		8. Well Name and No. Lybrook 4-22
3a. Address 370 17th Street, Suite 1700 Denver, Colorado, 80202	3b. Phone No. (include area code) 720-876-3989	9. API Well No. 30-039-05381
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1850' FSL, 1650' FEL, SE Section 22, Township 24N, Range 7W		10. Field and Pool or Exploratory Area Escrito Gallup
		11. Country or Parish, State Rio Arriba County, New Mexico

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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 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.)

Please see attached plug and abandon procedure for the above-referenced well. The work will be completed the week of April 7, 2014.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD MAR 28 '14
OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Brenda R. Linster		Title Regulatory Lead
Signature <i>Brenda R. Linster</i>		Date 03/24/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date MAR 26 2014
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	

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

PLUG AND ABANDONMENT PROCEDURE

March 20, 2014

Lybrook 004-22

Escrito Gallup

1850' FSL & 1650' FEL, Section 22, T-24-N, R-7-W, Rio Arriba County, NM

API 30-039-05381 / Long: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project will use a closed loop system, steel waste pit(s), to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes , No , Unknown .
Tubing: Yes , No , Unknown , Size 1-1/2", Length 5557'.
Packer: Yes , No , Unknown , Type .
TOH and inspect the 1-1/2" tubing from well. Prepare approximately 1000' of 1-1/4" IJ tubing workstring. To set plugs use a tapered string with the 1-1/4" IJ below the 1-1/2" wells tubing. Round trip 2-7/8" wireline gauge ring to 5130'.
4. **Plug #1 (Gallup perforations and top, 5628' – 5050'): Note: due to the placement of the 2-7/8" tubing that was cemented in place we are unable to spot a CR 50' above perforations as normal. Approved with S. Mason, BLM to set 2-7/8" CR in tubing 250' above perms and squeeze cement below CR to isolate the Gallup perforations.** RIH and set a 2-7/8" wireline cement retainer at 5100'. TIH with tapered workstring and sting into CR. Establish rate into the Gallup perforations. Pressure test casing to 800 PSI. *If casing does not test, then spot or tag subsequent plug as appropriate.* Mix and pump 43 sxs Class B cement, squeeze 38 sxs below CR to isolate the Gallup interval and leave 5 sxs above CR. Pull up to 4800' and reverse circulate the well clean. TOH with tubing and WOC. TIH and tag cement.
5. **Plug #2 (Mancos top, 4628' – 4528')**: Perforate 6 HSC squeeze holes at 4628'. Establish rate into squeeze holes. Mix and pump 46 sxs Class B cement down the 2-7/8" casing; displace to 4400'; this squeezes 39 sxs into 4.5" x 7-7/8" annulus and leaves 7 sxs inside the casing to cover the Mancos top. Drop a rubber plug and displace to 4400'. Depending on work schedule: 1) lubricate a 2-7/8" CIBP into well and set at 4400' just above rubber plug; or 2) WOC and then tag cement with wireline. Top of the cement must be at least at 4528'. Pressure test casing.

6. **Plug #3 (Mesaverde top, 2904' – 2804')**: TIH with tapered workstring to 2904'. Mix 10 sxs Class B cement and spot a balanced plug inside the casing to cover the Mesaverde top.
7. **Plug #4 (Pictured Cliffs and Fruitland tops, 2080'- 1766')**: Perforate 6 HSC squeeze holes at 2080'. Mix 140 sxs Class B cement, squeeze 122 sxs into 4.5" x 7-7/8" annulus and leave 18 sxs inside the casing to cover Pictured Cliffs and Fruitland tops; drop rubber plug and displace to 1550'. Depending on work schedule: 1) lubricate a 2-7/8" CIBP into well and set at 1550' or just above rubber plug; or 2) WOC and then tag cement with wireline. Top of the cement must be at least at 1766'. Pressure test casing. WOC and tag cement.
8. **Plug #5 (Kirtland and Ojo Alamo tops, 1610' - 1342')**: Perforate 6 HSC squeeze holes at 1610'.. Establish rate into squeeze holes. Mix 119 sxs Class B cement, squeeze 104 sxs into 4.5" x 7-7/8" annulus and leave 15 sxs inside the casing to cover the Kirtland and Ojo Alamo tops; drop rubber plug and displace to 1200'. Depending on work schedule: 1) lubricate a 2-7/8" CIBP into well and set at 1200' or just above rubber plug; or 2) WOC and then tag cement with wireline. Top of the cement must be at least at 1342'. WOC and tag cement.
9. **Plug #6 (8.625" Surface casing shoe, 222' to Surface)**: Perforate 6 HSC squeeze holes at 222'. Establish rate into squeeze holes. Mix and pump approximately 65 sxs Class B cement down 2-7/8" casing and circulate good cement out the 4.5" x 8-5/8" bradenhead annulus valve. SI well and WOC.
10. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Lybrook 004-22

Proposed P&A

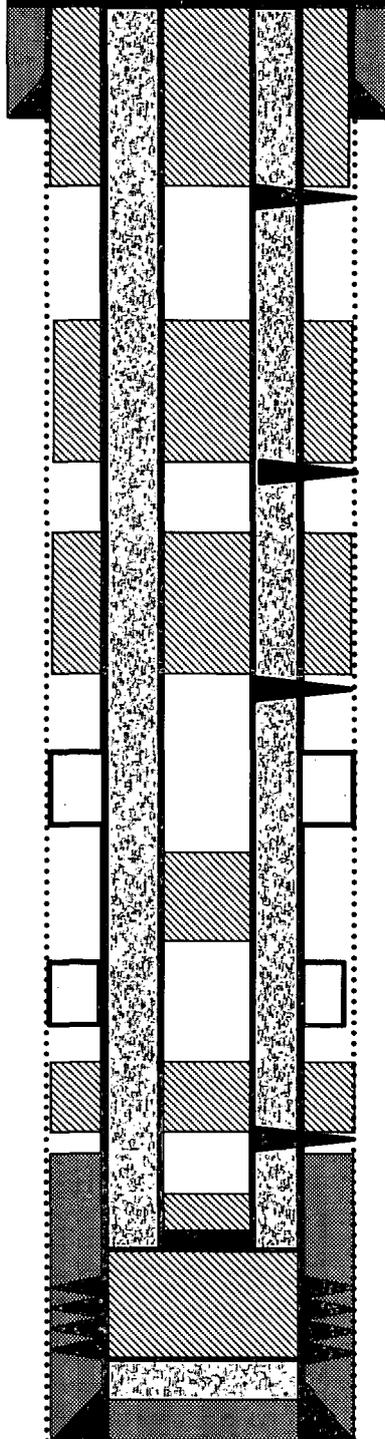
Escrito Gallup

1850' FSL & 1650' FEL, Section 22, T-24-N, R-7-W
Rio Arriba County, NM / API #30-039-05381

BLM Approved Tops

Today's Date: 3/18/14
Spud: 3/13/61
Comp: 3/30/61
Elevation: 6750' GL
6752' KB

12.25" Hole



7.875" Hole

Circulate 65 bbls of cement to surface

8.625" 23# Casing set @ 172'
125 sxs cement, circulated to surface

Perforate @ 222'

Plug #6: 222' - 0'
Class B cement, 65 sxs

Ojo Alamo @ 1392

Kirtland @ 1560'

Plug #5: 1610' - 1342'
Class B cement, 119
15 sxs in 2.875" and 104
sxs in 4.5" x 7-7/8" annulus

Perforate @ 1610'

Fruitland @ 1816'

Pictured Cliffs @ 2030'

Plug #4: 2080' - 1766'
Class B cement, 140
18 sxs in 2.875" and 122
sxs in 4.5" x 7-7/8" annulus

Perforate @ 2080'

Mesaverde @ 2854'

Holes in casing 2925' and at 4000'.
Squeeze 400 sxs Class B cement with
fluid lost additive. DO and P/T to 850
PSI. (Sept '72)

Plug #3: 2904' - 2804'
Class B cement, 10 sxs
balanced plug in 2.875"

Mancos @ 4578'

Plug #2: 4628' - 4528'
Class B cement, 46 sxs
7 sxs in 2.875" and 39 sxs
in 4.5" x 7-7/8" annulus

Perforate @ 4628'

Set CR @ 5100'

Plug #1: 5628' - 5050'
Class B cement, 43 sxs
38 below and 5 above

Gallup @ 5380'

2.875" Tubing at 5130'

Gallup Perforations:
5380' - 5628'

4.5" 11.6#, J-55 Casing @ 5663'
Cemented with 150 sxs (232 cf)

TD 5663'
PBD 5592'