

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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

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		5. Lease Serial No. NM 12374 & NMNM 90843
2. Name of Operator Encana Oil & Gas (USA) Inc.		6. If Indian, Allottee or Tribe Name N/A
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. (include area code) 720-876-5867	7. If Unit of CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 1109 FNL and 509 FWL Section 34, T24N, R9W BHL: 585 FNL and 349 FWL Section 33, T24N, R9W		8. Well Name and No. Nageezi Unit D34-2409 01H
		9. API Well No. 30-045-35440
		10. Field and Pool or Exploratory Area Basin Mancos Gas Pool & Bisti Lower-Gallup
		11. Country or Parish, State San Juan, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input 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 checked="" 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>Flare Extension</u>
	<input 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 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.)

Encana Oil and Gas (USA) Inc. (Encana) completed the Nageezi Unit D34-2409 01H on 10/05/14. Encana requests an exception from NTL 4A, III C gas flaring (gas test period of 30 days from well completion or 50 MMCF, whichever comes first) and requests an additional 30 days to flare the gas from this well. This extension is requested because facilities are not ready yet.

Encana estimates an average of approximately 0.278 MMCF/d will be flared. The gas analysis is attached.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Cristi Bauer		Title Operations Technician
Signature <i>Cristi Bauer</i>		Date 12/4/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title AFM	Date 12/8/14
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)



2030 Afton Place
Farmington, NM 87401
(505) 325-6622

Analysis No: EC140440
Cust No: 25150-11340

Well/Lease Information

Customer Name: ENCANA OIL & GAS
Well Name: NAGEEZI D34-2409-01H
County/State: SAN JUAN NM
Location: D34-24N-09W
Field: O2 PROJECT
Formation:
Cust. Stn. No.: 550103183
73318

Source:
Pressure: 95 PSIG
Sample Temp: DEG. F
Well Flowing: Y
Date Sampled: 12/03/2014
Sampled By: BOB DURBIN
Foreman/Engr.: TONI FERRARI

Remarks: O2 = .4 PPM
SAMPLED AT METER RUN

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	23.671	2.6120	0.00	0.2289
CO2	0.388	0.0660	0.00	0.0059
Methane	53.458	9.0910	539.93	0.2961
Ethane	8.248	2.2130	145.96	0.0856
Propane	9.009	2.4900	226.68	0.1372
Iso-Butane	1.020	0.3350	33.17	0.0205
N-Butane	2.715	0.8590	88.57	0.0545
I-Pentane	0.482	0.1770	19.28	0.0120
N-Pentane	0.454	0.1650	18.20	0.0113
Hexane Plus	0.555	0.2480	29.25	0.0184
Total	100.000	18.2560	1101.05	0.8704

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0034
BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1107.4
BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1088.1
REAL SPECIFIC GRAVITY: 0.873

GPM, BTU, and SPG calculations as shown above are based on current GPA factors.

DRY BTU @ 14.650: 1101.4
DRY BTU @ 14.696: 1104.8
DRY BTU @ 14.730: 1107.4
DRY BTU @ 15.025: 1129.6

CYLINDER #: 6055
CYLINDER PRESSURE: 77 PSIG
DATE RUN: 12/3/14 1:38 PM
ANALYSIS RUN BY: LOGAN CHENEY



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



In Reply Refer To:

Conditions of Approval:

Nageezi Unit D34-2409 01H
Section 34-24N-9W
Lease No. NM 12374 & NMNM 90843

- Flaring is authorized pursuant to NTL 4A Part III A and IV B. As such, no royalty obligation will be incurred during the clean-up period. The vented volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the venting period.
- Flaring will be authorized until January 8, 2015. If additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the venting period.