

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

5. Lease Serial No. NMMN 16589	
6. If Indian, Allottee or Tribe Name N/A	
7. If Unit of C/A Agreement, Name and/or No. N/A	
8. Well Name and No. Escrito L 14-2408 03H	
9. API Well No. 30-045-35533	
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	10. Field and Pool or Exploratory Area Dujers Point Gallup Dakota
2. Name of Operator Encana Oil & Gas (USA) Inc.	11. County or Parish, State San Juan County, NM
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. (include area code) 720-876-5867
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 1393' FSL and 29' FWL Section 14, T24N, R8W BHL: 424' FSL and 347' FWL Section 15, T24N, R8W	

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 _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Flare Extension _____
	<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 Escrito L 14-2408 03H on 11/13/14. 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 N2 content is still notably high. We do not meet pipeline specs for N2 content and need to flare the gas until N2 levels are at sustainable levels for the pipeline.

Encana estimates an average of approximately 0.665 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

DEC 18 2014

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 12/9/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title <i>AFM</i>	Date 12/15/14
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 <i>FEO</i>		

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)

NMCCD
[Handwritten initials]



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

Analysis No: EC140454
 Cust No: 25150-11390

Well/Lease Information

Customer Name:	ENCANA OIL & GAS	Source:	FLOWBACK SEP.
Well Name:	ESCRITO L14-2408 #03H	Pressure:	98 PSIG
County/State:	SAN JUAN NM	Sample Temp:	DEG. F
Location:	L14-24N-08W	Well Flowing:	Y
Field:	O2 PROJECT	Date Sampled:	12/08/2014
Formation:		Sampled By:	SEAN CASAUS
Cust. Stn. No.:	14181502	Foreman/Engr.:	TONY FERRARI
	76625		

Remarks: H2S = 0 PPM
 SAMPLED AT METER RUN

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	30.700	3.3880	0.00	0.2969
CO2	0.375	0.0640	0.00	0.0057
Methane	44.128	7.5040	445.69	0.2444
Ethane	11.049	2.9640	195.53	0.1147
Propane	8.777	2.4250	220.84	0.1336
Iso-Butane	1.002	0.3290	32.58	0.0201
N-Butane	2.543	0.8040	82.96	0.0510
I-Pentane	0.488	0.1790	19.52	0.0122
N-Pentane	0.447	0.1630	17.92	0.0111
Hexane Plus	0.491	0.2200	25.88	0.0162
Total	100.000	18.0400	1040.93	0.9061

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0033
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1046.7
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1028.5
 REAL SPECIFIC GRAVITY: 0.9086

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

DRY BTU @ 14.650: 1041.0
 DRY BTU @ 14.696: 1044.3
 DRY BTU @ 14.730: 1046.7
 DRY BTU @ 15.025: 1067.7

CYLINDER #: 5012
 CYLINDER PRESSURE: 98 PSIG
 DATE RUN: 12/8/14 3:58 PM
 ANALYSIS RUN BY: PATRICIA KING



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:

Escrito L14-2408 03H
Section 14-24N-8W
Lease No. NMNM 16589

- 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 15, 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.