

DEC 16 2014

CONFIDENTIAL

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 30 days or until
January 15th, Yr 2015, for the following described tank battery (or LACT):
API: 30-043-21194
Name of Lease Lybrook M28-2306 03H Name of Pool Lybrook Gallup
Location of Battery: Unit Letter M Section 28 Township 23N Range 6W
Number of wells producing into battery 3
- B. Based upon oil production of 182 barrels per day, the estimated * volume
of gas to be flared is 28,290 MCF; Value \$3527 per day.
- C. Name and location of nearest gas gathering facility:
Lybrook Trunk CDP
- D. Distance N/A Estimated cost of connection Already connected
- E. This exception is requested for the following reasons: _____
The wells early production is being impacted by high backpressure on
the gas gathering line. The wells should optimally be produced with
minimum backpressure during early life to ensure proper load water recovery.

<p>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.</p> <p>Signature <u>Cristi Bauer</u></p> <p>Printed Name & Title <u>Cristi Bauer, Operations Technician</u></p> <p>E-mail Address <u>cristi.bauer@encana.com</u></p> <p>Date <u>12/12/14</u> Telephone No. <u>720-876-5867</u></p>	<p>OIL CONSERVATION DIVISION</p> <p>Approved Until <u>1-15-15</u></p> <p>By <u>Charles Her</u></p> <p>Title <u>SUPERVISOR DISTRICT #3</u></p> <p>Date <u>DEC 18 2014</u></p>
--	---

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



OIL CONS. DIV DIST. 3

DEC 16 2014

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

Analysis No: EC140463
Cust No: 25150-11315

Well/Lease Information

Customer Name: ENCANA OIL & GAS	Source: METER RUN
Well Name: LYBROOK M28-2306-03H	Pressure: 62 PSIG
County/State:	Sample Temp: DEG. F
Location: M28-23N-06W	Well Flowing: Y
Field: O2 PROJECT	Date Sampled: 12/08/2014
Formation:	Sampled By: SEAN CASAUS
Cust. Stn. No.: 14180112	Foreman/Engr.:
76155	

Remarks:

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	7.704	0.8510	0.00	0.0745
CO2	0.285	0.0490	0.00	0.0043
Methane	66.367	11.2930	670.30	0.3676
Ethane	13.305	3.5720	235.46	0.1381
Propane	7.675	2.1220	193.11	0.1169
Iso-Butane	0.919	0.3020	29.89	0.0184
N-Butane	2.208	0.6990	72.03	0.0443
I-Pentane	0.497	0.1820	19.88	0.0124
N-Pentane	0.447	0.1630	17.92	0.0111
Hexane Plus	0.593	0.2650	31.26	0.0196
Total	100.000	19.4980	1269.86	0.8073

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.004
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1277.9
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1255.7
 REAL SPECIFIC GRAVITY: 0.8102

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

DRY BTU @ 14.650: 1271.0
 DRY BTU @ 14.696: 1275.0
 DRY BTU @ 14.730: 1277.9
 DRY BTU @ 15.025: 1303.5

CYLINDER #: 6071
 CYLINDER PRESSURE: 61 PSIG
 DATE RUN: 12/9/14 10:49 AM
 ANALYSIS RUN BY: PATRICIA KING