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CONFIDENTIAL

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Farmington Field Office  
Bureau of Land Management

APR 03 2012

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.**

5. Lease Serial No.  
NM-287486. If Indian, Allottee or Tribe Name  
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well    ☐ Gas Well    ☐ Other
8. Well Name and No.  
Lybrook H26-2307 01H2. Name of Operator  
Encana Oil & Gas (USA) Inc.9. API Well No.  
30-043-21183a. Address  
370 17th Street, Suite 1700  
Denver, CO 802023b. Phone No. (include area code)  
720-876-398910. Field and Pool or Exploratory Area  
Lybrook Gallup4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SHL: 2257 FNL and 357 FEL Section 26, T23N, R7W  
BHL: 2257 FEL and 330 FWL Section 26, T23N, R7W11. Country or Parish, State  
Sandoval 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 checked="" type="checkbox"/> Other Adjustment to
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Spacing Unit dedicated
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	to well & updated C-102

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 recompleat 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 recompleat 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.)

On December 29, 2011, Encana Oil & Gas (USA) Inc (Encana) submitted an Application for Permit to Drill the Lybrook H26-2307 01H oil well.

Encana would like to adjust the spacing unit dedicated to this well from 640 acres to 160 acres.

This change is requested due to the 02/15/12 implementation of revised State of New Mexico oil and gas regulations that define a project area as an area that comprises one or more complete contiguous spacing units that are developed by the well (19.15.16.6 NMAC).

RCVD APR 11 '12  
OIL CONS. DIV.  
DIST. 3

## CONDITIONS OF APPROVAL

Adhere to previously issued stipulations

**BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Brenda R. Linster

Title Regulatory Advisor

Signature

Brenda R. Linster

Date

02.20.12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Shea C. Vab

Title

PE

Date

4/4/12

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)

NMOCD  
AV

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APR 03 2012

District I  
1625 N. French Drive, Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

District II  
811 S. First Street, Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV  
1220 S. St. Francis Drive, Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department

Farmington Field Office  
Bureau of Land Management  
Form C-102  
August 1, 2011  
Submit one copy to  
Appropriate District Office

## OIL CONSERVATION DIVISION

1220 South St. Francis Drive  
Santa Fe, NM 87505

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-043-21118	*Pool Code 42289	*Pool Name LYBROOK GALLUP
*Property Code	*Property Name LYBROOK H26-2307	*Well Number 01H
*GRID No. 282327	*Operator Name ENCANA OIL & GAS (USA) INC.	*Elevation 7234'

#### 10 Surface Location

U. or Lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	26	23N	7W		2257	NORTH	357	EAST	SANDOVAL

#### 11 Bottom Hole Location If Different From Surface

U. or Lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	23N	7W		2257	NORTH	330	WEST	SANDOVAL

12 Dedicated Acres 160.0 Acres (S/2 N/2) Section 26	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Brenda R. Linster</u> Date: <u>02-20-2012</u></p> <p>Brenda R. Linster, Regulatory Advisor</p> <p>Printed Name: <u>brenda.linster@encana.com</u></p> <p>E-mail Address: <u>brenda.linster@encana.com</u></p>
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Revised: FEBRUARY 5, 2012 Survey Date: NOVEMBER 2, 2011</p> <p>Signature and Seal of Professional Surveyor</p>		<p>Jason C. Edwards Certificate Number 15269</p>