Form 3160-5
(August 2007)

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
APR 23 2014
Farmington Field Office
Bureau of Land Management

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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NMNM 112953
	6. If Indian, Allottee or Tribe Name N/A
	7. If Unit of CA/Agreement, Name and/or No. N/A
	8a. Well Name and No. Lybrook M27-2306 04H
2. Name of Operator Encana Oil & Gas (USA) Inc.	9. API Well No. 30-043-21151
3a. Address 370 17th Street, Suite 1700 Denver CO, 80202	3b. Phone No. *(include area code)* 720-876-3989
	10. Field and Pool or Exploratory Area Counselors Gallup-Dakota
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* SHL: 901' FSL and 173' FWL, Section 27, T23N R6W BHL: 550' FSL and 785' FWL, Section 28, T23N R6W	11. Country or Parish, State Sandoval, NM

OIL CONS. DIV DIST. 3
APR 23 2014

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Flare Extension
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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.)

Due to pipeline capacity and constraints, Encana Oil & Gas (USA) Inc. requests an exception from NTL 4A, III C and requests an extension for an additional 30 days (05/30/14) for the well referenced above. Encana will also be requesting an extension for the Lybrook E27-2306 01H, Lybrook E27-2306 03H, and Lybrook M27-2306 02H wells. Individual production rates for the wells are listed below.

LYBROOK E27-2306-01H: 2265 mcfd 215 bopd 17.8% N2 / LYBROOK E27-2306-03H: 2363 mcfd 190 bopd 17.9% N2
LYBROOK M27-2306-02H: 1956 mcfd 138 bopd 12.1% N2 / LYBROOK M27-2306-04H 2916 mcfd 225 bopd 17.5% N2

These wells tie-in to the Lybrook Trunk 1, which connects to Enterprise's 2C-161 gathering system. Enterprise will accept up to 13 MMCFD at no more than 20% N2. Based on current production rates during flowback, as much as 18 MMCFD may be available for sales and it may be necessary to curtail or shut production in for a period of time. The request for the flare extension will allow these wells to continue to produce and cleanup the wells while the natural, early decline will minimize gas volumes subject to the pipeline capacity and constraints. Encana will flare only the volume of gas that exceeds the capacity constraints, not to exceed 5 MMCFD combined from these wells.

A current gas analysis is attached.

Encana will pay royalties on the hydrocarbon portion flared during the 30 day flare extension and after the extension ends, Encana will provide the FFO-BLM with an itemized report of the sold volume (oil and gas), flared volume and associated composite gas analysis.

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)* Brenda R. Linster	Title Regulatory Lead
Signature	Date 04/21/2014

Approved pursuant to NTL4A, Part ~~III~~ B IV

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title Petr. Eng	Date 4/22/14
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	

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

Diablo Analytical BTU Report

Sample Information

	Sample Information
Sample Name	LYBROOK M27 O4H
TAKEN BY:	RICK BAIRD
METER #	
Method Name	RICKNGAH2S
Injection Date	4/17/2014 3:07:20 PM
Report Date	04/17/2014 03:11:01 PM
BTU Configuration File	hexanes plus.cfg
Data Source	Cerity data system connection
Instrument	G2801AGC - US10317001

Component Results

Component Name	Ret. Time	Peak Area	Normalized Mole%	Heating Value (Btu / cu. ft.)	Molar Mass Ratio (G)	GPM (Gal. / 1000 cu. ft.)
Nitrogen	0.478	78472	8.605	0.000	0.0832	0.9500
Methane	0.495	427436	67.636	684.707	0.3746	11.5059
Carbon Dioxide	0.648	2671	0.280	0.000	0.0043	0.0479
Ethane	0.728	125731	12.664	224.633	0.1315	3.3971
Hydrogen Sulfide	0.000	0	0.000	0.000	0.0000	
Propane	1.911	74438	6.826	172.163	0.1039	1.8865
i-Butane	0.307	28323	0.777	25.340	0.0156	0.2552
n-Butane	0.326	66703	1.836	60.023	0.0368	0.5808
i-Pentane	0.392	19248	0.499	19.995	0.0124	0.1831
n-Pentane	0.419	19859	0.458	18.398	0.0114	0.1664
Hexanes Plus	1.271	25304	0.419	21.541	0.0135	0.1824
Total:			100.000	1226.800	0.7873	19.1554

Results Summary

Result	Dry
Total Unnormalized Mole%	101.891
Pressure Base (psia)	14.730
Gross Heating Value (Btu / Ideal cu. ft.)	1226.800
Gross Heating Value (Btu / Real cu. ft.)	1231.339
Real Relative Density	0.78989
Gas Compressibility (Z) Factor	0.99631