

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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AUG 04 2014

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 12374 & NMNM 90843
6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2

ALL CONS DIV DIST. 3

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

AUG 06 2014

2. Name of Operator
Encana Oil & Gas (USA) Inc.

7. If Unit of CA/Agreement, Name and/or No.
8. Well Name and No.
Escrito D34-2409 03H

3a. Address
370 17th Street, Suite 1700
Denver, CO 80202
ATTN: Jessica Gregg

3b. Phone No. (include area code)
720-876-3926

9. API Well No.
30-045-35475

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 1162 FNL and 536' FWL Section 34, T24N, R9W
BHL: 1870' FNL and 330' FWL Section 33, T24N, R9W

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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 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.)

Please see the attached plug and abandon procedure for the above referenced well. The work will be completed between July 31, 2014 and August 1, 2014.

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

Notify NMOCD 24 hrs
prior to beginning
operations

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Name (Printed/Typed)
Jessica Gregg

Title Regulatory Analyst

Signature

Date 07/31/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy Salyers	Title Petroleum Eng.	Date 8/4/2014
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.

PLUG AND ABANDONMENT PROCEDURE

July 31, 2014

Escrito D34-2409 03H

Basin Mancos Gas Pool & Bisti Lower-Gallup

1162' FNL & 536' FWL, Section 34, T-24-N, R-9-W, San Juan County, New Mexico

API 30-045-35475/ Long: -107.78354 W / Lat: 36.27465 N

Note: While drilling the Escrito D34-2409 03H well, the Bottom Hole Assembly (BHA) became stuck while pulling out of hole. We conducted a fishing operation and recovered the BHA. We suspected however, that during the fishing operation the surface casing was compromised. Encana ran a casing imaging log which confirmed the casing was damaged at 111' and at the float collar. Therefore, Encana chose to Plug and Abandon (P&A) the well due to the compromised casing integrity.

All cement volumes use 100% excess. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G Neat, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. This project will use a closed loop system.
2. Encana and their contractors will comply with all New Mexico Oil Conservation Division (NMOCD), Bureau of Land Management (BLM), and Operator safety regulations. We will conduct safety meeting for all personnel on location prior to commencement of the plugging operations.
3. **Plug surface casing (470' – surface)** RIH and with 2-7/8" tubing. Set balanced plug up from 470'. This will be done in 3 evenly spaced plugs (470' – 313'), (313' – 156'), and (156' – 0'). Each balanced will be 118 sacks, or 354 sacks total. We will confirm we have cemented up surface casing to surface.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Escrito D34-2409 #3H

CONDITIONS OF APPROVAL

The Farmington Field Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.