

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-35476
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Encana Oil & Gas (USA) Inc.		6. State Oil & Gas Lease No. LG 5686 and LG 9804
3. Address of Operator 370 17 <sup>th</sup> Street, Suite 1700, Denver, Colorado 80202		7. Lease Name or Unit Agreement Name
4. Well Location SHL: Unit Letter: <u>I 1341</u> feet from the SOUTH line and <u>255</u> feet from the EAST line BHL: Unit Letter: <u>L 2191</u> feet from the SOUTH line and <u>339</u> feet from the WEST line Section: 36 Township 24N Range 10W NMPM San Juan County		8. Well Number Good Times P36-2410 01H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6874' GR		9. OGRID Number 282327
10. Pool name or Wildcat Basin Mancos (97232)/South Bisti Gallup (5680)		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Pre-Installation of Gas Lift <input checked="" type="checkbox"/>	
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Encana Oil & Gas (USA) Inc. is requesting authorization to install gas lift at the Good Times P36-2410 01H well. Attached is a schematic of the pad with gas lift and the gas allocation procedure.

RCVD SEP 11 '14  
 OIL CONS. DIV.  
 DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cristi Bauer TITLE: Operations Technician DATE 9/9/14

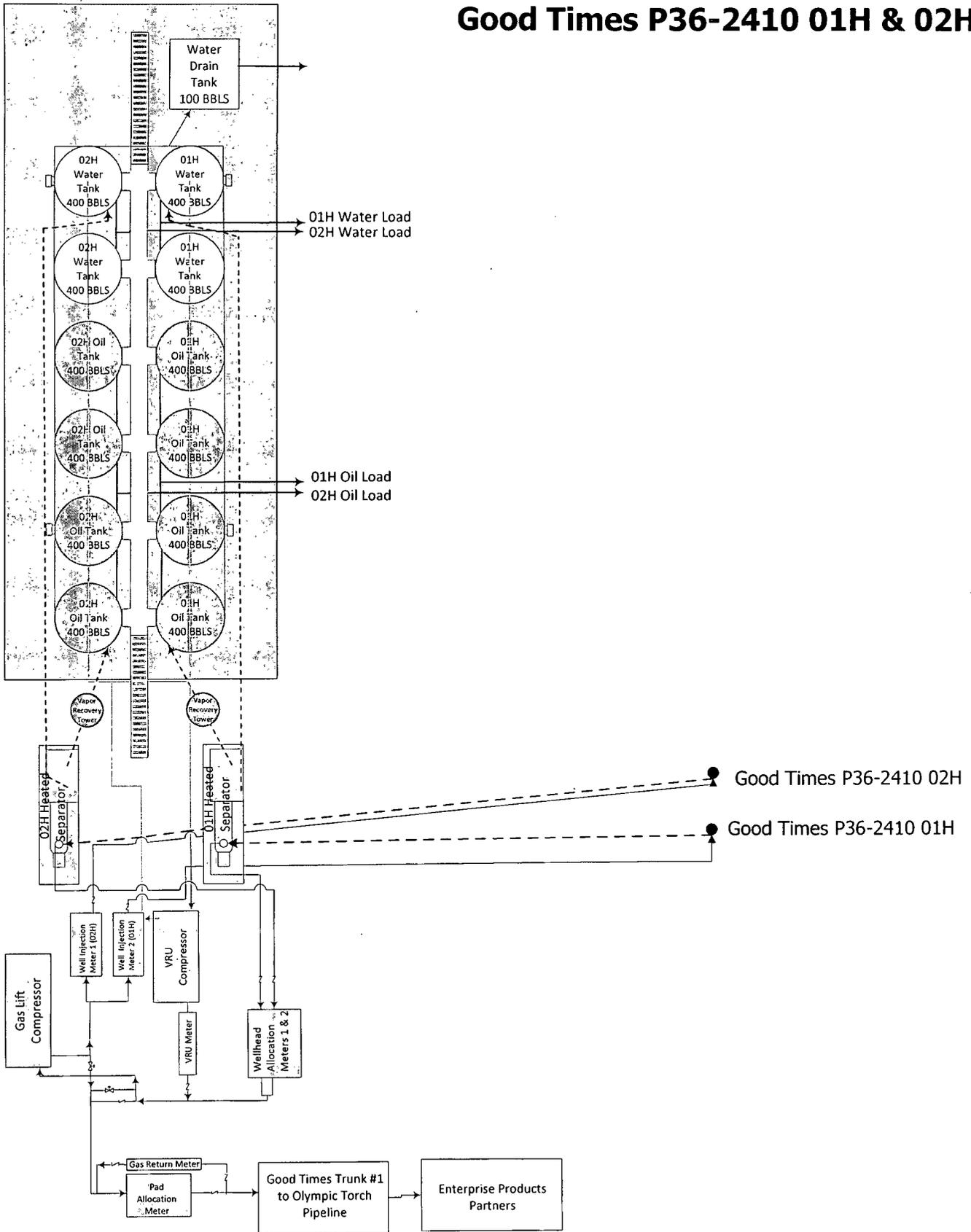
Type or print name Cristi Bauer E-mail address: cristi.bauer@encana.com PHONE: 720-876-5867

**For State Use Only**

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST # DATE 10/7/14

Conditions of Approval (if any):

# Good Times P36-2410 01H & 02H



Good Times P36-2410 02H

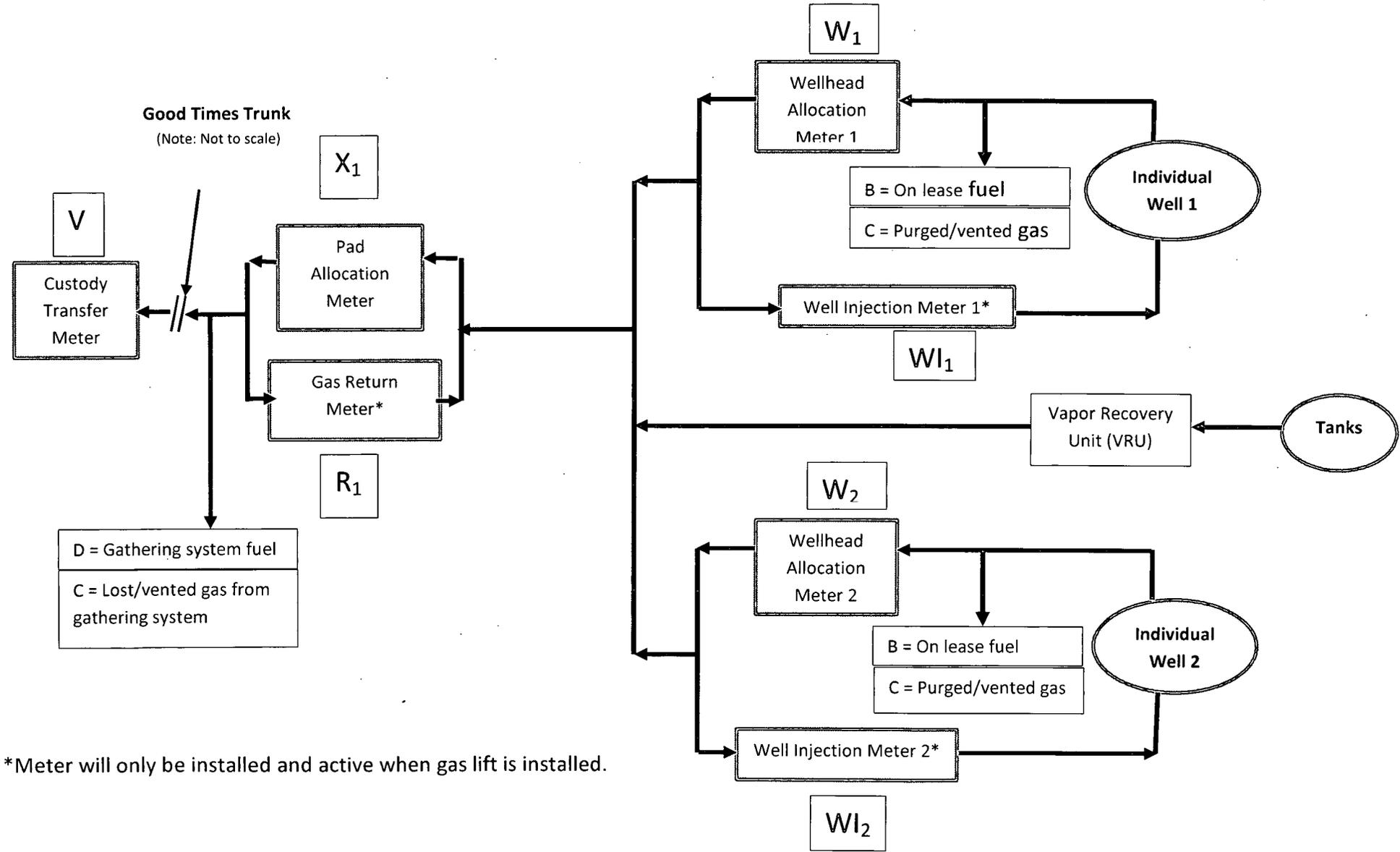
Good Times P36-2410 01H

FILENAME  
Good Times P36-2410 01H & 02H

NOT TO SCALE

DATE  
09/17/13

### Gas Measurement Allocation Procedure for Multi-Well Pads



\*Meter will only be installed and active when gas lift is installed.

**Base Data:**

V = Gas Volume (MCF) from Custody Transfer Meter during allocation period (Enterprise Products Partners)

X<sub>x</sub> = Gas Volume (MCF) from Pad Allocation Meter during allocation period. (Encana)

R<sub>x</sub> = Gas Volume (MCF) from Gas Return Meter at Well Pad (Encana)\*

(X<sub>x</sub> - R<sub>x</sub>) = Gas Volume (MCF) for total Well Pad Production (Encana)

W<sub>x</sub> = Gas Volume (MCF) from Wellhead Allocation Meter at individual wells during allocation period. (Encana)

WI<sub>x</sub> = Gas Volume (MCF) from Well Injection Meter at individual wells during allocation period. (Encana)\*

Y = Heating Value (BTU/scf) from Custody Transfer Meter during allocation period. (Enterprise Products Partners)

Z = Heating Value (BTU/scf) from individual Wellhead Allocation Meter and Well Injection Meter. (Encana)

Allocation Period is typically a calendar month and will be the same for all Well Pads and individual wells.

**Well Pad Gas Production = A + B + C + D + E**

A = Allocated Gas production off lease for Well Pad, MCF:  $[(X_1 - R_1) / ((X_1 - R_1) + (X_2 - R_2) + (X_n - R_n))] * (V)$

Please note, gas production (MCF) for individual wells on a Well Pad is calculated using the formula:

$[(W_1 - WI_1) / ((W_1 - WI_1) + (W_2 - WI_2) + (W_n - WI_n))] * (X_1 - R_1)$

B = On lease fuel usage, MCF. Determined from equipment specification and operating conditions. This includes, but is not limited to, compression, vapor recovery unit (VRU) compression, burners, and pump jacks.

C = Lost and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment and piping specifications and operating pressures.

D = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the Well Pads benefiting from the equipment using allocation factors determined by  $[(X_1 - R_1) / ((X_1 - R_1) + (X_2 - R_2) + (X_n - R_n))]$  and for individual wells using allocation factors determined by  $[(W_1 - WI_1) / ((W_1 - WI_1) + (W_2 - WI_2) + (W_n - WI_n))]$ .

Encana Oil & Gas (USA) Inc.  
Good Times Trunk #1 Gathering System  
San Juan County, New Mexico

E = Allocated volume of gas lost and/or vented from the gathering system, gathering system equipment, condensate collection, and water collection in MCF. The total volume will be determined using industry accepted procedures the time of the loss. The total volumes lost and/or vented will be allocated to the Well Pads affected using factors determined by  $[(X_1-R_1)/((X_1-R_1)+(X_2-R_2)+(X_n-R_n))]$ , and for individual wells using factors determined by  $[(W_1-WI_1)/((W_1-WI_1)+(W_2-WI_2)+(W_n-WI_n))]$ .

**Individual Well BTU's** =  $(((W_n-WI_n)*Z_n)/SUM((W_n-WI_n)*Z_n))*Y$

Individual well gas heating values to be determined in accordance with BLM regulations.