

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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.
NMMN 90843

6. If Indian, Allottee or Tribal Name
N/A

OIL CONS. DIV DIST. 3

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
370 17th Street, Suite 1700
Denver, CO 80202

3b. Phone No. (include area code)
720-876-5867

4. Location of Well (Footage, Sec., T., R. M., or Survey Description)
SHL: 1136 FNL and 523' FWL Section 34, T24N, R9W
BHL: 1895' FNL and 345' FWL Section 33, T24N, R9W

5. Lease Serial No. NMMN 90843

6. If Indian, Allottee or Tribal Name N/A

7. If Unit of CA/Agreement, Name and/of No. NOV 07 2014

8. Well Name and No.
Nageezi Unit D34-2409Y 03H

9. API Well No.
30-045-35583

10. Field and Pool or Exploratory Area
Nageezi Unit HZ (Oil)

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 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 checked="" 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Flare Extension
	<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.)

Encana Oil and Gas (USA) Inc. (Encana) completed the Nageezi Unit D34-2409Y 03H on 10/11/14. Encana requests an exception from NTL 4A, III C gas flaring (gas test period of 30 days from well completion or 50 MMCF, whichever comes first) and requests an additional 30 days to flare the gas from this well. This extension is requested because facilities are not ready yet.

Encana estimates an average of approximately 0.20 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

NOV 07 2014

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

Name (Printed/Typed)
Cristi Bauer

Title Operations Technician

Signature *Cristi Bauer* Date 10/30/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]* Title AFM Date 11/5/14

Office FFO

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.

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)

NMOCDC



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

Analysis No: EC140390
 Cust No: 25150-11345

Well/Lease Information

Customer Name: ENCANA OIL & GAS
 Well Name: NAGEEZI D34-2409Y-03H
 County/State: SAN JUAN NM
 Location: D34-24N-09W
 Field: O2 PROJECT
 Formation:
 Cust. Stn. No.: 14182822
 77537

Source:
 Pressure: 80 PSIG
 Sample Temp: DEG. F
 Well Flowing: Y
 Date Sampled: 10/29/2014
 Sampled By: SEAN CASAUS
 Foreman/Engr.: MIKE SACKETT

OIL CONS. DIV DIST. 3

NOV 07 2014

Remarks:

Analysis

Component:	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	30.306	3.3450	0.00	0.2931
CO2	0.319	0.0550	0.00	0.0048
Methane	44.472	7.5640	449.17	0.2463
Ethane	8.452	2.2680	149.58	0.0877
Propane	10.349	2.8600	260.39	0.1576
Iso-Butane	1.218	0.4000	39.61	0.0244
N-Butane	3.257	1.0300	106.25	0.0654
I-Pentane	0.605	0.2220	24.21	0.0151
N-Pentane	0.568	0.2070	22.77	0.0141
Hexane Plus	0.453	0.2030	23.88	0.0150
Total	100.000	18.1540	1075.86	0.9236

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0035
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1082.1
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1063.3
 REAL SPECIFIC GRAVITY: 0.9265

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

DRY BTU @ 14.650: 1076.2
 DRY BTU @ 14.696: 1079.6
 DRY BTU @ 14.730: 1082.1
 DRY BTU @ 15.025: 1103.8

CYLINDER #: 5012
 CYLINDER PRESSURE: 78 PSIG
 DATE RUN: 10/29/14 4:41 PM
 ANALYSIS RUN BY: JENNIFER DEAN



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



In Reply Refer To:

Conditions of Approval:

Nageezi Unit D34-2409Y 03H
Section 34-24N-9W
Lease No. NMNM90843

- Flaring is authorized pursuant to NTL 4A Part III A and IV B. As such, no royalty obligation will be incurred during the clean-up period and the facility installation period. The vented volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the venting period.
- Flaring will be authorized until December 11, 2014. If additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the venting period.