

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.
NMNM 1129536. 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.
N/A

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Lybrook M28-2306 01H2. Name of Operator
Encana Oil & Gas (USA) Inc.9. API Well No.
30-043-211783a. Address
370 17th Street, Suite 1700
Denver, CO 802023b. Phone No. (include area code)
720-876-586710. Field and Pool or Exploratory Area
Lybrook Gallup4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 354' FSL and 1265' FWL Sec 28, T23N, R6W
BHL: 338' FSL and 400' FWL Sec 33, T23N, R6W11. 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 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 Flare Extension
	<input type="checkbox"/> Change Plans	<input 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.)

Encana Oil and Gas (USA) Inc. (Encana) completed the Lybrook M28-2306 01H on 9/10/14 and received flare extension approval on 11/17/14.. 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.

The well's early production is being impacted by high backpressure on the gas gathering line. The wells should optimally be produced with minimum backpressure during early life to ensure proper load water recovery.

Encana estimates an average of approximately 0.422 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

DEC 18 2014

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

Name (Printed/Typed)

Cristi Bauer

Title Operations Technician

Signature

Cristi Bauer

Date

12/12/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

AFM

Date

12/16/14

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

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)

NMCCD



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

Analysis No: EC140461
Cust No: 25150-11305

Well/Lease Information

Customer Name: ENCANA OIL & GAS
Well Name: LYBROOK M28-2306-01H
County/State:
Location: M28-23N-06W
Field: O2 PROJECT
Formation:
Cust. Stn. No.: 14180108
CC# 76154

Source: METER RUN
Pressure: 65 PSIG
Sample Temp: DEG. F
Well Flowing: Y
Date Sampled: 12/08/2014
Sampled By: SEAN CASUAS
Foreman/Engr.:

Remarks: SAMPLED AT METER RUN

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	8.291	0.9160	0.00	0.0802
CO2	0.298	0.0510	0.00	0.0045
Methane	65.147	11.0870	657.98	0.3608
Ethane	13.173	3.5360	233.12	0.1368
Propane	7.939	2.1960	199.75	0.1209
Iso-Butane	0.980	0.3220	31.87	0.0197
N-Butane	2.410	0.7630	78.62	0.0484
I-Pentane	0.574	0.2110	22.97	0.0143
N-Pentane	0.530	0.1930	21.25	0.0132
Hexane Plus	0.658	0.2950	34.68	0.0218
Total	100.000	19.5700	1280.25	0.8205

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0041
BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1288.5
BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1266.1
REAL SPECIFIC GRAVITY: 0.8236

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

DRY BTU @ 14.650: 1281.5
DRY BTU @ 14.696: 1285.5
DRY BTU @ 14.730: 1288.5
DRY BTU @ 15.025: 1314.3

CYLINDER #: 5017
CYLINDER PRESSURE: 70 PSIG
DATE RUN: 12/9/14 10:19 AM
ANALYSIS RUN BY: PATRICIA KING



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:

Lybrook M28-2306 01H
Section 28-23N-6W
Lease No. NMNM112953

- 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. The vented volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the venting period.
- Flaring will be authorized until January 16, 2015. 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.