

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 12-9-14

Well information:

| API WELL # | Well Name | Well # | Operator Name | Type | Stat | County | Surf. Owner | UL | Sec | Twp | N/S | Rng | W/E |
|--------------------|------------------|--------|-----------------------------|------|------|----------|-------------|----|-----|-----|-----|-----|-----|
| 30-045-35328-00-00 | LYBROOK H04 2208 | 001H | ENCANA OIL & GAS (USA) INC. | O | N | San Juan | F | H | 4 | 22 | N | 8 | W |

Application Type:

- P&A
 Drilling/Casing Change
 Location Change
 Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
 Other: Intermediate Casing report

Conditions of Approval:

Encana did not comply with 19.15.17.14.D

NMOCD Approved by Signature

12/19/14
Date

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.
NM 55836

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

SUBMIT IN TRIPLICATE - Other instructions on page 2 **DEC 10 2014**

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: 1980' FNL and 330' FEL Sec 4, T22N, R8W
BHL: 1980' FNL and 330' FWL Sec 5, T22N, R8W

7. If Unit of CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Lybrook H04-2208 01H

9. API-Well No.
30-045-35328

10. Field and Pool or Exploratory Area
Basin Mancos

11. Country or Parish, State
San Juan, NM

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 Intermediate |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Casing/Cement |
| | <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 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.)

Set intermediate casing string 10/25/14. Gelled freshwater mud system.

Hole diameter: 8.75", casing diameter: 7", casing weight and grade: 26ppf J-55 LTC. Depth of 8.75" hole from 0-4830'TVD/MD. Intermediate casing set from surface to 4830'MD. Did not run DV Tool. Top of float collar at 4783' MD. TOC at surface and BOC at 4830'MD. ✓

Stage 1 Lead: Cement (pumped 10/26/14) 435 sks Premium Lite FM+ 3% CaCl2 + 0.25/sk Cello Flake + 5#/sk LCM-1 + 8% Bentonite + 0.4% FL-52A + 0.4% Sodium Metasilicate. Mixed at 12.1 ppg. Yield 2.13 cuft/sk.

Stage 1 Tail: Cement (pumped 10/26/14) 340 sks Type III Cement + 1% CaCl2 + 0.25#/sk Cello Flake + 0.2% FL-52A. Mixed at 14.6 ppg. Yield 1.38 cuft/sk. 60 bbls cement to surface. WOC 6 hours.

Started drilling out cement on 10/27/14. Tested BOP 10/27/14 to 3000# for 30minutes. No pressure drop. Tested casing 10/27/14 to 1500# for 30 minutes. No pressure drop. ✓

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 12/9/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Office **ACCEPTED FOR RECORD**

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)

NMOCD tv

BY: *William Tambekou*