

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 16589
6. If Indian, Allottee or Tribe Name N/A
JAN 08 2015

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

8. Well Name and No. Escrito L14-2408 04H

9. API Well No. 30-045-35534

10. Field and Pool or Exploratory Area Dufer's Point Gallup Dakota

11. Country or Parish, State San Juan, NM

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: 1423' FSL and 23' FWL Sec 14, T24N, R8W
BHL: 1769' FSL and 352' FWL Sec 15, T24N, R8W

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 <u>Flare Extension</u>
	<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 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/BLIA. 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.)

Encana Oil and Gas (USA) Inc. (Encana) completed the Escrito L14-2408 04H on 11/16/14. 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 N2 content is still notably high. We do not meet pipeline specs for N2 content and need to flare the gas until N2 levels are at sustainable levels for the pipeline.

Encana estimates an average of approximately 0.8 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

JAN 12 2015

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

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed) Cristi Bauer Title Operations Technician

Signature Cristi Bauer Date 1/7/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [Signature] Title AFM Date 1/9/15

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)



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

Analysis No: EC150002
 Cust No: 25150-11400

Well/Lease Information

Customer Name:	ENCANA OIL & GAS	Source:	FLOWBACK SEP.
Well Name:	ESCRITO L14-2408 #04H	Pressure:	95 PSIG
County/State:	SAN JUAN NM	Sample Temp:	DEG. F
Location:	L14-24N-08W	Well Flowing:	Y
Field:	O2 PROJECT	Date Sampled:	01/06/2015
Formation:		Sampled By:	SEAN CASAUS
Cust. Str. No.:	14181429	Foreman/Engr.:	TONY FERRARI
	76608		

Remarks: METER RUN

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	15.268	1.6850	0.00	0.1477
CO2	0.444	0.0760	0.00	0.0067
Methane	63.962	10.8740	646.02	0.3543
Ethane	10.841	2.9080	191.85	0.1126
Propane	6.585	1.8190	165.69	0.1003
Iso-Butane	0.653	0.2140	21.23	0.0131
N-Butane	1.561	0.4940	50.92	0.0313
I-Pentane	0.268	0.0980	10.72	0.0067
N-Pentane	0.232	0.0840	9.30	0.0058
Hexane Plus	0.186	0.0830	9.80	0.0062
Total	100.000	18.3350	1105.54	0.7846

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0031
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1111.5
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1092.2
 REAL SPECIFIC GRAVITY: 0.7867

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

DRY BTU @ 14.650: 1105.5
 DRY BTU @ 14.696: 1108.9
 DRY BTU @ 14.730: 1111.5
 DRY BTU @ 15.025: 1133.8

CYLINDER #: 4212
 CYLINDER PRESSURE: 92 PSIG
 DATE RUN: 1/6/15 2:47 PM
 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:

Escrito L14-2408 04H
Section 14-24N-8W
Lease No. NMNM 16589

- 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 February 15, 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.