

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

RECEIVED  
JUN 16 2015  
Farmington Field Office  
Bureau of Land Management

**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-118125N**  
VO 9212  
6. If Indian, Allottee or Tribe Name  
N/A

**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

7. If Unit of CA/Agreement, Name and/or No.  
R-13718-A

8. Well Name and No.  
Gallo Canyon Unit M26-2306 01H

9. API Well No.  
30-043-21205

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)  
SHL: 75' FSL and 200' FWL Section 26, T23N, R6W  
BHL: 354' FSL and 707' FWL Section 36, T23N, R6W

10. Field and Pool or Exploratory Area  
Counselors Gallup-Dakota

11. County or Parish, State  
Sandoval County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 & Gas (USA) Inc. completed the Gallo Canyon Unit M26-2306 02H on 05/25/15. 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 that approximately 1.00 MMCF/d will be flared. The gas analysis is attached.

OIL CONS. DIV DIST. 3

JUN 19 2015

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Cristi Bauer

Title Regulatory Analyst

Signature

*Cristi Bauer*

Date

*6/15/15*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*[Signature]*

Title

*AFM*

Date

*6/16/15*

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

*FEO*

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

KC  
3



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

Analysis No: EC150364  
Cust No: 25150-11580

### Well/Lease Information

Customer Name: ENCANA OIL & GAS  
Well Name: GALLO CANYON UNIT M26-2306 #01H  
County/State: SANDOVAL  
Location: M26-23N-06W  
Field:  
Formation:  
Cust. Stn. No.: 14181231

Source:  
Pressure: 65 PSIG  
Sample Temp: DEG. F  
Well Flowing: Y  
Date Sampled: 06/11/2015  
Sampled By: SEAN CASAUS  
Foreman/Engr.: TONY FERRARI

Remarks:

### Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	41.283	4.5520	0.00	0.3993
CO2	0.264	0.0450	0.00	0.0040
Methane	41.519	7.0540	419.34	0.2300
Ethane	6.120	1.6400	108.30	0.0635
Propane	6.593	1.8200	165.88	0.1004
Iso-Butane	0.788	0.2580	25.62	0.0158
N-Butane	2.150	0.6790	70.14	0.0431
I-Pentane	0.420	0.1540	16.80	0.0105
N-Pentane	0.396	0.1440	15.87	0.0099
Hexane Plus	0.468	0.2090	24.67	0.0155
Total	100.000	16.5550	846.64	0.8920

\* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

\*\*@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0024

BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 850.6

BTU/CU.FT (WET) CORRECTED FOR (1/Z): 835.8

REAL SPECIFIC GRAVITY: 0.8937

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

DRY BTU @ 14.650: 846.0

DRY BTU @ 14.696: 848.6

DRY BTU @ 14.730: 850.6

DRY BTU @ 15.025: 867.6

CYLINDER #: 6181

CYLINDER PRESSURE: 67 PSIG

DATE RUN: 6/11/15 3:53 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](http://www.blm.gov/nm)



In Reply Refer To:

### Conditions of Approval:

**Gallo Canyon Unit M26-2306 01H**  
**Section 26-23N-6W**  
**Lease No. VO 9212**

- 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 flared volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the flaring period.
- Flaring will be authorized until July 25, 2015. If additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the flaring period.