

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**David R. Catanach, 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 3160-5 form.

Operator Signature Date: **Original APD 5/12/2014** Sundry Extension Date 8/9/2017

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-35546-00-00	GOOD TIMES L10-2309	001H	ENCANA OIL & GAS (USA) INC.	O	N	San Juan	F	L	10	23	N	9	W

Conditions of Approval:

(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC,
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
  - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
  - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
  - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.
- Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

September 8, 2017

Page 2

- ✓ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ✓ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.
- ✓ Comply with current regulations at time of spud  
Prior to production operator needs to be in compliance with RULE 19.15.5.9



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NMOCD Approved by Signature

8/22/17

Date

RECEIVED

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

AUG 10 2017

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 8005
6. If Indian, Allottee or Tribe Name N/A

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. NMNM 132981A
2. Name of Operator Encana Oil & Gas (USA) Inc.		8. Well Name and No. Nageezi Unit 503H
3a. Address 370 17th Street, Suite 1700 Denver, CO 80202	3b. Phone No. (include area code) 720-876-3533	9. API Well No. 30-045-35546
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 1455' FSL and 288' FWL, Sec 10, T23N, R9W BHL: 1750' FSL and 330' FWL, Sec 9, T23N, R9W		10. Field and Pool or Exploratory Area Nageezi Unit HZ (Oil)
		11. Country or Parish, State San Juan 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 <u>Well Name Change</u>
	<input checked="" 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 & Gas (USA) Inc. finalized the formation of a 10,415.12 acre Federal exploratory unit named the Nageezi Unit. The Nageezi Unit hearing occurred on May 29, 2014 at the New Mexico Oil Conservation Division in Santa Fe, in which, Encana requested an undivided unit be formed that would also encompass its own unique oil pool designation.

In a sundry dated October 23, 2014, Encana requested that the name of the Good Times L10-2309 01H well, which is now part of the Nageezi Unit, be changed to Nageezi Unit L10-2309 01H. Encana requests that the name be updated again to Nageezi Unit 503H to reflect Encana's new naming convention for units.

OIL CONS. DIV DIST. 3

AUG 18 2017

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Katie Wegner	Title Senior Regulatory Analyst
Signature	Date 08/09/2017

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <u>Abdelgadir Amadou</u>	Title <u>PE</u>	Date <u>8/10/17</u>
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 <u>FFO</u>	

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)

NMOCDV

AUG 18 2017

Form C-102

Revised August 1, 2011

**DISTRICT I**  
1625 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico  
Energy, Minerals & Natural Resources Department

**DISTRICT II**  
811 S. First St., Artesia, N.M. 88210  
Phone: (575) 748-1283 Fax: (575) 748-0720

Submit one copy to appropriate  
District Office

**DISTRICT III**  
1000 Rio Brazos Rd., Artec, N.M. 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-35546		<sup>2</sup> Pool Code 98080		<sup>3</sup> Pool Name NAGEEZI UNIT HZ (OIL)	
<sup>4</sup> Property Code 315244		<sup>5</sup> Property Name NAGEEZI UNIT		<sup>6</sup> Well Number 503H	
<sup>7</sup> OGRID No. 282327		<sup>8</sup> Operator Name ENCANA OIL & GAS (USA) INC.		<sup>9</sup> Elevation 6754.0'	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	23N	9W		1455'	SOUTH	288'	WEST	SAN JUAN

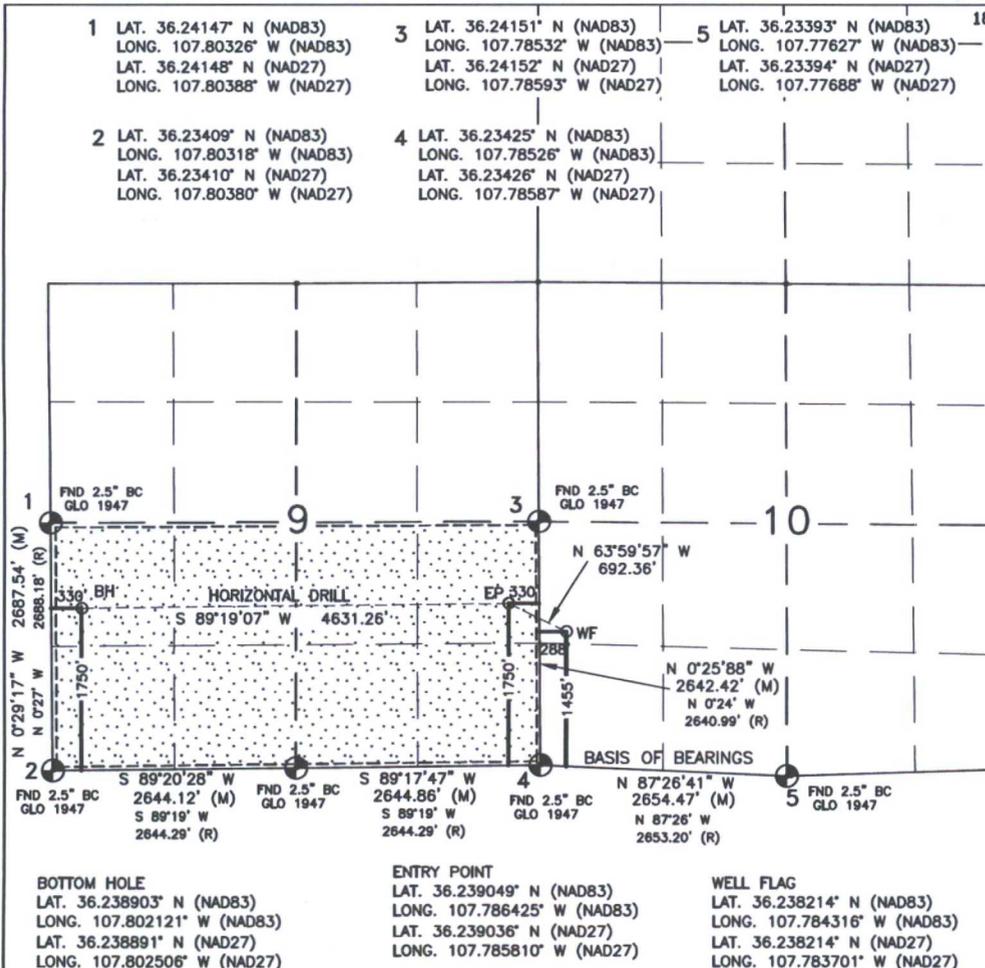
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	9	23N	9W		1750'	SOUTH	330'	WEST	SAN JUAN

<sup>12</sup> Dedicated Acres PENETRATED SPACING UNIT: S2 SEC 9 (320 ACRES)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. R-13856A (10,415.12 ACRES)
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Katie Wegner* 8/9/17  
Signature Date  
Katie Wegner  
Printed Name  
katie.wegner@encana.com  
E-mail Address

**SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 10, 2013  
Date of Survey  
Signature and Seal of Professional Surveyor:  
  
HENRY P. BROADHURST  
NEW MEXICO  
PROFESSIONAL SURVEYOR  
04/29/2015

**BOTTOM HOLE**  
LAT. 36.238903° N (NAD83)  
LONG. 107.802121° W (NAD83)  
LAT. 36.238891° N (NAD27)  
LONG. 107.802506° W (NAD27)

**ENTRY POINT**  
LAT. 36.239049° N (NAD83)  
LONG. 107.786425° W (NAD83)  
LAT. 36.239036° N (NAD27)  
LONG. 107.785810° W (NAD27)

**WELL FLAG**  
LAT. 36.238214° N (NAD83)  
LONG. 107.784316° W (NAD83)  
LAT. 36.238214° N (NAD27)  
LONG. 107.783701° W (NAD27)

