

03/25/13 DATE IN	SUSPENSE	ENGINEER DB	03/28/13 LOGGED IN	TYPE OLM	PPRG 1308754647 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



30-039-31134  
Escrito A36 2407  
Well #1 H  
Encana Oil & Gas

## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,  
Attachment No. 4 presents copies of notification to interest owners mailed Certified/  
Return Receipt (RR). Upon receipt of RRs, copies will be sent to NMOCD.

[F] ☐ Waivers are Attached

### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Holly Hill  
Print or Type Name

Holly Hill  
Signature

Regulatory Analyst  
Title

3/22/13  
Date

holly.hill@encana.com  
e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Encana Oil & Gas (USA) Inc.

OPERATOR ADDRESS: 370 17<sup>th</sup> Street, Suite 1700, Denver, CO 80202

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners. See Attachment No. 4

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location. See Attachment No. 2 and Attachment No. 5

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved. Attachment No. 2

(3) Lease Names, Lease and Well Numbers, and API Numbers. See Attachment No. 1

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Holly Hill

TITLE: Regulatory Analyst

DATE: 3/22/13

TYPE OR PRINT NAME: Holly Hill

TELEPHONE NO.: 720-876-5331

E-MAIL ADDRESS: holly.hill@encana.com



March 22, 2013

**Transmitted Via Certified Mail**

Ms. Jami Bailey  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Mr. Larry Roybal  
Oil, Gas & Minerals Division  
New Mexico State Land Office  
PO Box 1148  
Santa Fe, NM 87504

**Re: Application for Off-Lease Measurement  
Escrito A36-2407 01H  
Section 36, Township 24 North – Range 7 West  
Rio Arriba County, New Mexico**

Dear Ms. Bailey and Mr. Roybal:

Encana Oil & Gas (USA) Inc. (Encana) requests Administrative Approval for Off-Lease Measurement and sale of natural produced gas from the Escrito A36-2407 01H well. The well is located on New Mexico State Lease E 9055, in the NENE of Section 36, T24N R7W and is operated by Encana. The Off-Lease Measurement will occur in the NENE of Section 35, T24N R7W where the pipeline ties into Enterprise Products Partners' (Enterprise) central delivery point, gas custody transfer meter (CDP). The well will produce from the Escrito Gallup (Associated) Pool (Order No. 22619\*). There will not be any commingling of oil or condensate and there is no Indian acreage associated with the well.

Enclosed please find the following:

**A. Administrative Application Checklist for Off-Lease Measurement dated March 22, 2013.**

**B. State of New Mexico Oil Conservation Division Form C-107-B, Application for Off-Lease Measurement dated March 22, 2013. Attached to and made part of the Application for Off-Lease Measurement please find the following:**

**Attachment No. 1:** Presents the lease and pool information for the well.

**Attachment No. 2:** Presents a plat depicting the Off-Lease Measurement and lease information, as well as the 6,152-foot long pipeline that will be installed from the Escrito A36-2407 01H Well Pad, tying into Enterprise's CDP custody transfer meter (Meter 91086) in the NENE of Section 35, T24N R7W. Please note that Encana received New Mexico State Land Office (NMSLO) approval for the pipeline on December 14, 2013 (RW-33105) and is currently awaiting Bureau of Land Management approval for the portion of the pipeline that falls on Federal lands.

Condensate and oil will be separated, stored and sold on-lease. The well will be equipped with a continuous recording gas allocation meter (or some form of approved alternative measurement) operated and maintained by Encana. Prior to converting any gas measurement from a conventional allocation meter to an alternative measurement method, Encana will seek formal approvals. The allocation procedures are presented on **Attachment No. 5.**

Encana Oil & Gas (USA) Inc.

370 17<sup>th</sup> Street, Suite 1700, Denver Colorado 80202 720.876.5331 (O) 303.521.2835 (C) [holly.hill@encana.com](mailto:holly.hill@encana.com)

**Attachment No. 3:** Presents a leasehold ownership summary for the well. Encana and T.H. McElvain Oil & Gas, LLLP (McElvain) are the only other working interest owners in the well. The royalty interest is State; McElvain and Herman Ziffren are the overriding royalty interest owner in the wells. As required by the New Mexico Oil Conservation Division (NMOCD) all interest owners have been given notice of this application.

**Attachment No. 4:** Presents a copy of the notice sent to the interest owners. All notice letters have been mailed certified, return receipt. Upon receiving the return receipts, copies will be forwarded to the NMOCD. Also included, is a copy of the legal notice to be published in The Daily Times, Farmington, New Mexico on March 24<sup>th</sup>, 2013 in order to provide public notice to Herman Ziffren due to uncertainty of the interest owner's contact information.

**Attachment No. 5:** Presents the allocation procedures.

In conclusion, Encana is requesting Administrative Approval for Off-Lease Measurement and sale of produced gas from the Escrito A36-2407 01H, tying into Enterprise Production's CDP (meter 91086) in the NENE of Section 35, T24N R7W.

\*Pursuant to NMAC 19.15.15.13.C Encana has filed an application with the NMOCD, dated March 21<sup>st</sup>, 2013, seeking approval for a non-standard location for the Escrito A36-2407 01H well in the Escrito Gallup (Associated) Pool (Order No. 22619).

Please do not hesitate to contact me directly at 720-876-5331 with any questions or concerns.

Encana Oil & Gas (USA) Inc.

A handwritten signature in black ink, appearing to read "Holly Hill".

Holly Hill  
Regulatory Analyst

Enc.

Encana Oil & Gas (USA) Inc.

370 17<sup>th</sup> Street, Suite 1700, Denver Colorado 80202 720.876.5331 (O) 303.521.2835 (C) [holly.hill@encana.com](mailto:holly.hill@encana.com)

RECEIVED OGD  
2013 MAR 25 P 3:08

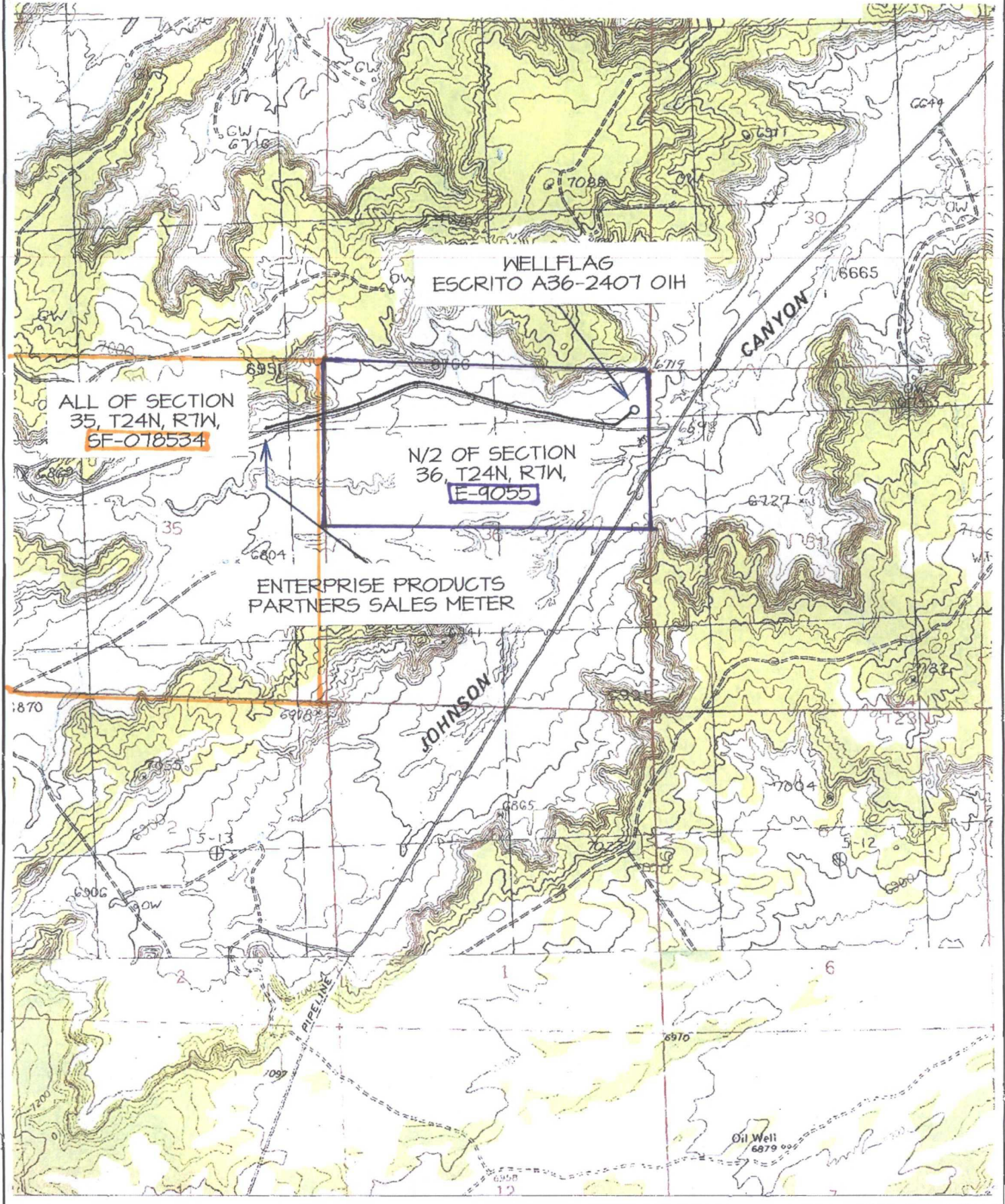
Attachment No. 1  
Encana Oil Gas (USA) Inc.  
Off-Lease Measurement Application  
Central Delivery Gas Custody Transfer Meter (Enterprise) NENE Sec 35 T24N R7W  
Rio Arriba County, New Mexico

Well Name	API No.	Well Location UL-Sec-Twn-Rng	Project Area	Pool	Lease No.	Lease Type	Completion Date	Well Status
Escrito A36-2407 01H	30-039-31134	<i>A</i> NENE-36-24N-7W	N2N2 Sec 36 24N 7W (160 acres)	Escrito Gallup (Associated) Pool (Order No. 22619)	E 9055	State	12/02/2012	Completed

\*Pursuant to NMAC 19.15.15.13.C Encana has filed an application with the NMOCD, dated March 21, 2013, seeking approval for a non-standard location for the Escrito A36-2407 01H well in the Escrito Gallup (Associated) Pool (Order No. 22619)



Attachment No. 2  
Encana Oil & Gas (USA) Inc.  
Off-Lease Measurement Application  
Central Delivery Gas Custody Transfer Meter (Enterprise) NENE Sec 35, T24N R7W  
Rio Arriba County, NM



Attachment No. 3  
Encana Oil Gas (USA) Inc.  
Off-Lease Measurement Application  
Central Delivery Gas Custody Transfer Meter (Enterprise) NENE Sec 35 T24N R7W  
Rio Arriba County, New Mexico

**Escrito A36-2407 01H**  
Unit A, Section 36, T24N R7W  
Project Area: N2 Section 26, T23N R7W (320 acres)  
State of New Mexico Lease E 9055  
Escrito Gallup (Associated) Pool

<u>Interest Owner</u>	<u>Gross</u>	<u>Net</u>
<b><u>Working Interest</u></b> Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202	75.000%	60.000%
T.H. McElvain Oil & Gas, LLLP 1050 17th Street, Suite 2500 Denver, CO 80265	25.000%	21.750%
<b><u>Royalty Interest</u></b> New Mexico State Land Office P.O. Box 1148 Denver, CO 87504	0.000%	12.500%
<b><u>Overriding Royalty Interest</u></b> T.H. McElvain Oil & Gas, LLLP 1050 17th Street, Suite 2500 Denver, CO 80265	0.000%	5.250%
Herman Ziffren Unknown Address *	0.000%	0.500%
<b>TOTAL</b>	<u>100.000%</u>	<u>100.000%</u>

\* Pursuant to NMOCD 19.15.12.10.C(4)(e) Encana requested a Legal Ad be placed in the March 24th, 2013 publication of The Daily Times, Farmington, New Mexico regarding the subject application.

Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM

As evidence that all interest ownership parties in the subject well have been given notice of Encana's application, attached please find:

- 1) The Leasehold Interest Owner's Address List for State of New Mexico Lease E 9055.
- 2) A copy of Encana's letter, dated March 21, 2013, used to send copies of the subject application to T.H. McElvain Oil & Gas LLLP which is the only working interest owner in addition to Encana. Please note McElvain is also an overriding royalty interest owner. The letter was transmitted via certified mail/return receipt. Upon receiving the receipt, a copy will be sent to NMOCD.
- 3) Since all royalty interest is State and since the NMSLO is receiving this application requesting their approval, a separate notice letter was not sent to the royalty interest owner. The application to the NMSLO was transmitted via certified mail/return receipt. Upon receiving the receipt, a copy will be sent to NMOCD.
- 4) A copy of Encana's request to publish a Legal Ad in The Daily Times, Farmington, New Mexico in the March 24, 2013 publication, regarding the subject application due to uncertainty as to the contact information for Mr. Herman Ziffren, the only overriding royalty interest owner in addition to McElvain.

*\*Please note Attachment No. 4 contains seven (7) pages.*



Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM

**Working Interest Owners:**

Encana Oil & Gas (USA) Inc.  
370 17<sup>th</sup> Street, Suite 1700  
Denver CO 80202

T.H. McElvain Oil & Gas, LLLP  
1050 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80265

**Royalty Interest Owner:**

New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504

**Overriding Royalty Interest:**

T.H. McElvain Oil & Gas, LLLP  
1050 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80265

Herman Ziffren  
Unknown Address \*

*\*Pursuant to NMOCD 19.15.12.10.C(4)(e) Encana requested a Legal Ad be placed in the March 24<sup>th</sup>, 2013 publication of The Daily Times, Farmington, New Mexico regarding the subject application.*

Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM



March 21, 2013

T.H. McElvain Oil & Gas, LLLP  
Attention: Land Manager  
1050 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80265

**Re: Application for Off-Lease Measurement**  
**Escrito A36-2407 01H**  
Section 36, Township 24 North – Range 7 West  
Rio Arriba County, New Mexico

Dear Sir or Madam:

Attached for your information, review and file is a complete copy of Encana Oil & Gas (USA) Inc.'s (Encana) Application to the New Mexico Oil Conservation Division (NMOCD) requesting their approval for Off-Lease Measurement and sale of natural gas produced from the completed Escrito A36-2407 01H well located in the NENE of Section 36, T24N R7W.

The Off-Lease Measurement will occur in the NENE of Section 35, T24N R7W where the pipeline for the well ties into Enterprise Products Partner's central delivery point, gas custody transfer meter (CDP). The well resides on the same New Mexico State Lease E 9055 and produces from the Escrito Gallup (Associated) Pool (Order No. 22619). Please note, Encana has applied for Bureau of Land Management (BLM) and New Mexico State Land Office Approval for the 6,152-foot long pipeline Right-of-Way which Encana will install.

The Escrito A36-2407 01H well will be equipped with individual gas measurement equipment for allocation purposes. Additionally, Encana may install a central compression unit for the well which should keep wellhead operating pressures as low as possible, lower operating expenses, and allow for optimal gas recovery.

This matter does not require any action on your part. Current NMOCD Regulations require that all affected interest owners receive notice of proposed Off-Lease Measurement. Should you have any questions, concerns or need additional information please contact me at your earliest convenience at 720-876-5445 and/or [georgia.kofoed@encana.com](mailto:georgia.kofoed@encana.com).

Should you have any objections to our application, please contact the undersigned; you should also contact the NMOCD directly with your objections within twenty (20) days from the date the NMOCD receives our application. The mailing address for the NMOCD is 1220 St. Francis Drive, Santa Fe, New Mexico 87505. We would appreciate a copy of your objection.

Encana Oil & Gas (USA) Inc.  
370 17<sup>th</sup> Street, Suite 1700, Denver, Colorado 80202

Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM



However, should you agree to the terms of Encana's Off-Lease Measurement Application for the Escrito A36-2407 01H, please execute and return the enclosed Participation Statement via the postal delivery service or email to [georgia.kofoed@encana.com](mailto:georgia.kofoed@encana.com).

Yours Truly,  
Encana Oil & Gas (USA) Inc.

A handwritten signature in cursive script that reads "Georgia Kofoed". The signature is written in dark ink and is positioned above the printed name.

Georgia Kofoed  
Land Group Lead

720.876.5445 (O)  
email: [georgia.kofoed@encana.com](mailto:georgia.kofoed@encana.com)

Enc.  
cc: New Mexico Oil Conservation Division  
Santa Fe, Bureau of Land Management  
Farmington Field Office, Bureau of Land Management



**Participation Statement for T.H. McElvain Oil & Gas, LLLP  
Encana's Escrito A36-2407 01H  
Off-Lease Measurement  
Rio Arriba County, New Mexico**

Encana Oil & Gas (USA) Inc. is the Operator of the above captioned well. The well is located in the NENE of Section 36, Township 24N, Range 7 West. Off-Lease Measurement will occur in the NENE of Section 35, Township 24 North, Range 7 West where the pipeline for the well ties into the Enterprise Products Partner's central delivery gas sales meter. Encana may install a central compression unit for the well. The well is on New Mexico State Lease E 9055 and will produce from the Escrito Gallup (Associated) Pool (Order No. 22619).

The undersigned has reviewed Encana's application to the New Mexico Oil Conservation Division and agree that the described application procedures are acceptable.

The undersigned request approval of Encana's application for Off-Lease Measurement for the Escrito A36-2407 01H.

**T.H. MCELVAIN OIL & GAS, LLLP**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SENDER: COMPLETE THIS SECTION**

- Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

T.H. McElvain Oil & Gas, LLLP  
Attention: Land Manager  
1050 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80265

2. Article Number  
(Transfer from service label)

7011 3500 0001 2196 0833

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from Item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☒ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes**First Class Mail****encana™**  
natural gas

T.H. McElvain Oil & Gas, LLLP  
Attention: Land Manager  
1050 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80265

Encana Oil &amp; Gas (USA) Inc., 370 17th Street, Suite 1700, Denver, Colorado USA 80202

Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM



Attachment No. 4  
Encana Oil & Gas (USA) Inc.'s  
Leasehold Interest Ownership Notification  
State of New Mexico Lease E 9055  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
Rio Arriba County, NM

**encana**

March 22, 2013

Transmitted Via Email: [legals@daily-times.com](mailto:legals@daily-times.com)

Ms. Carletta Dodge, Legal Clerk  
The Daily Times  
201 N. Allen  
Farmington, New Mexico 87401

**Re: Legal Ad Placement Request**  
**Sunday, March 24<sup>th</sup> 2013 Publication**  
Escrito A36-2407 01H Off-Lease Measurement Application  
Section 36, Township 24 North – Range 7 West  
Rio Arriba County, New Mexico

Dear Ms. Dodge:

Encana Oil & Gas (USA) Inc. (Encana) respectfully requests The Daily Times place the following notice in the Legal Ads section for the March 24<sup>th</sup>, 2013 publication. Once the ad has run, please send Affidavit of Publication to the undersigned.

*Encana oil & Gas (USA) Inc. (Encana) is applying to the New Mexico Oil Conservation Division (NMOCD) and the New Mexico State Land office (NMSLO) for regulatory approval for Off-Lease Measurement and sale of natural gas for the Encana operated Escrito A36-2407 01H well (located in the NENE of Section 36, T24N R7W, Rio Arriba County, New Mexico, State of New Mexico Lease E 9055). There will not be any commingling of oil or condensate. The central delivery point, gas custody transfer meter (CDP) will be located in the NENE of Section 35, T24N R7W and will deliver gas to Enterprise Products Partners (Enterprise) pipeline. The Escrito A36-2407 01H was completed in the Escrito Gallup (Associated) Pool (Order No. 22619) with a 160 acre project area comprising of the N2N2 of Section 36, T24N R7W. Any person holding an interest in State of New Mexico Lease E 9055 may contact Encana for additional information (Attn: Georgia Kofoed, 720-876-5445; 370 17<sup>th</sup> Street, Suite 1700, Denver CO 80202; [georgia.kofoed@encana.com](mailto:georgia.kofoed@encana.com)). Any objection or request for a formal hearing should be filed in writing with the NMOCD's Santa Fe Office (1220 South St. Francis Drive, Santa Fe, NM 87505) within 20 days from the date of this publication. In the absence of objections, Encana is requesting that the NMOCD approve the application administratively.*

Encana Oil & Gas (USA) Inc.



Holly Hill  
Regulatory Analyst

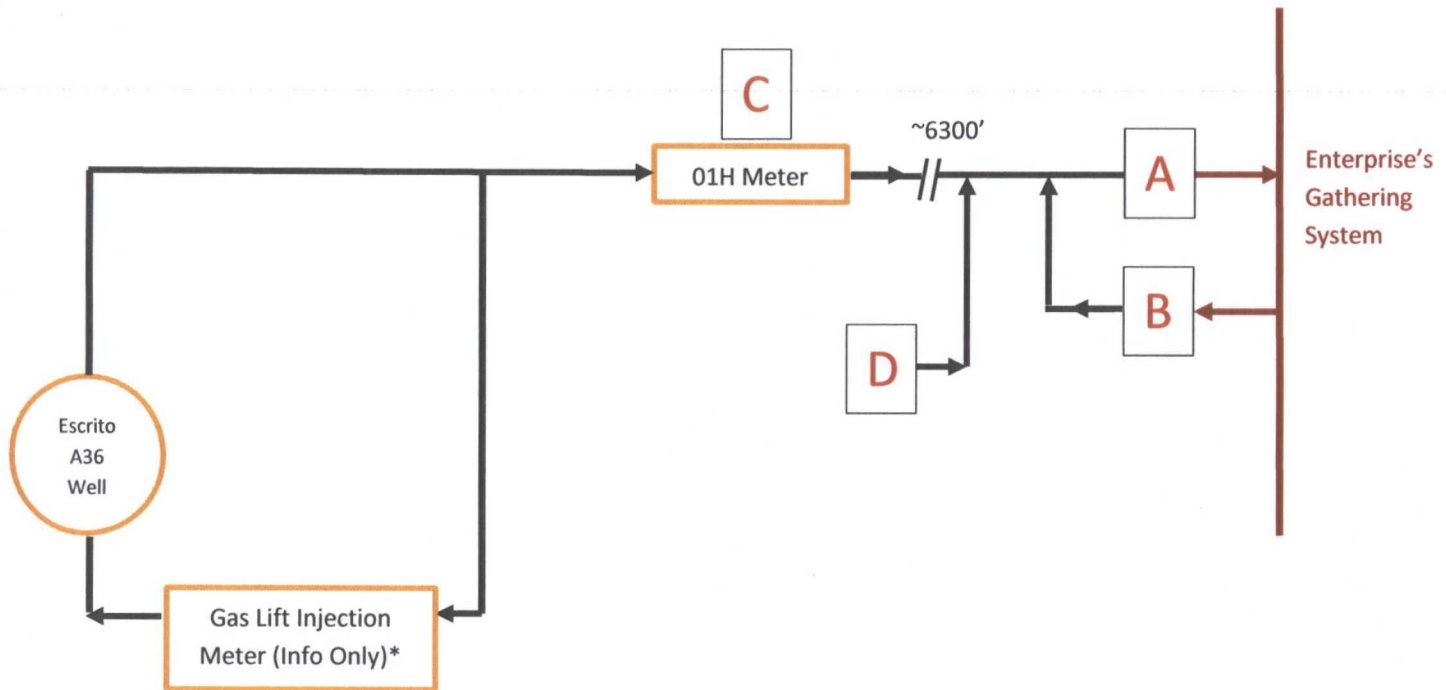
Enc.

Encana Oil & Gas (USA) Inc.

370 17<sup>th</sup> Street, Suite 1700, Denver, Colorado, 80202 720.876.5331 (O) 303.521.2835 (C) [holly.hill@encana.com](mailto:holly.hill@encana.com)



Attachment No. 5  
Encana Oil & Gas (USA) Inc.  
Allocation Procedures  
Off-Lease Measurement Application  
Escrito A36-2407 01H  
CDP: NENE Section 35, T24N R7W (Enterprise Products Partners Meter to be Installed)  
Rio Arriba, County, NM



A = Custody Transfer Metered Volume (Enterprise)  
B\* = Custody Transfer Metered Buy Back Volume (Enterprise)\*  
C = Escrito A36 2407-01H Metered Volume (Encana)  
D = Any Future Wells tied in to Encana's pipeline

$$\text{Escrito A36 2407-01H Sales Volume} = ((C-D)/(C-D)) * (A-B)$$

\*Meter will only be installed and active when gas lift is installed.

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Larry Roybal  
Oil, Gas & Minerals Division  
New Mexico State Land Office  
PO Box 1148  
Santa Fe, NM 87504

2. Article Number

(Transfer from service label)

7011 3500 0001 2196 0819

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

**First Class Mail**

**encana™**

natural gas

Mr. Larry Roybal  
Oil, Gas & Minerals Division  
New Mexico State Land Office  
PO Box 1148  
Santa Fe, NM 87504

Encana Oil & Gas (USA) Inc., 370 17th Street, Suite 1700, Denver, Colorado USA 80202

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540