1625 N. French Dr., 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

Date: 9/29/17

□ Original

# State of New Mexico Energy, Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit Original to Appropriate District Office

RECEIVED M 0 7 2018

| GAS CAPTURE PLAN      | DISTRICT II-ARTESIA |
|-----------------------|---------------------|
| Operator & OGRID No.: | BOPCO, LP [260737]  |

☐ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

# Well(s)/Production Facility - Name of facility: PLU 15 Twin Wells Ranch East CTB

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The well(s) that will be located at the production facility are shown in the table below.

| Well Name                    | API     | Well Location | Footages                | Expected | Flared or   | Comments |
|------------------------------|---------|---------------|-------------------------|----------|-------------|----------|
|                              |         | (ULSTR)       | ,                       | MCF/D    | Vented      |          |
| PLU 15 Twin Wells Ranch 701H |         | M-15-24S-31E  | 300' FSL &<br>1130' FWL | 2900     | Flared/Sold | 19.      |
| PLU 15 Twin Wells Ranch 901H |         | M-15-24S-31E  | 330' FSL &<br>1130' FWL | 3000     | Flared/Sold | *        |
| PLU 15 Twin Wells Ranch 102H |         | M-15-24S-31E  | 360' FSL &<br>1130' FWL | 2800     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 121H | 15.4494 | 3M-15-24S-31E | 390' FSL &<br>1130' FWL | 4800     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 122H |         | M-15-24S-31E  | 420' FSL &<br>1130' FWL | 4800     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 125H |         | N-15-24S-31E  | 330' FSL &<br>2590' FWL | 4300     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 705H |         | N-15-24S-31E  | 330' FSL &<br>2530' FWL | 2600     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 905H |         | N-15-24S-31E  | 330' FSL &<br>2560' FWL | 2700     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 104H |         | N-15-24S-31E  | 360' FSL &<br>1805' FWL | 2800     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 123H |         | N-15-24S-31E  | 390' FSL &<br>1805' FWL | 4800     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 124H |         | N-15-24S-31E  | 420' FSL &<br>1805' FWL | 3300     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 703H |         | N-15-24S-31E  | 300' FSL &<br>1805' FWL | 2900     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 903H |         | N-15-24S-31E  | 330' FSL &<br>1805' FWL | 3000     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 106H |         | O-15-24S-31E  | 360' FSL &<br>1965' FEL | 2600     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 126H |         | O-15-24S-31E  | 390' FSL &<br>1965' FEL | 4300     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 707H |         | O-15-24S-31E  | 300' FSL &<br>1965' FEL | 2600     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 907H |         | O-15-24S-31E  | 330' FSL &<br>1965' FEL | 2700     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 108H |         | P-15-24S-31E  | 330' FSL &<br>1230' FEL | 2600     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 127H |         | P-15-24S-31E  | 330' FSL &<br>1260' FEL | 4300     | Flared/Sold |          |
| PLU 15 Twin Wells Ranch 128H |         | P-15-24S-31E  | 330' FSL &<br>1230' FEL | 4300     | Flared/Sold |          |

## **Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Enlink and will be connected to Enlink low/high pressure gathering system located in Loving County, Texas. It will require 145' of pipeline to connect the facility to low/high pressure gathering system. BOPCO provides (periodically) to Enlink a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, BOPCO and Enlink have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enlink Processing Plant located in Block 27, Sec. 4, Loving County, Texas. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

### Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enlink system at that time. Based on current information, it is BOPCO's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

### **Alternatives to Reduce Flaring**

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
  - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
  - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
  - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines