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District II
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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

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

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DISTRICT II-ARTESIA O.C.D.

GAS CAPTURE PLAN

Date: 08/03/18

☒ Original

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, recomple 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 13 DTD EAST CTB

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

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Poker Lake Unit 13 DTD 701H		D-24-24S-30E	220' FNL & 35' FWL	2900	Flared/Sold	
Poker Lake Unit 13 DTD 901H		D-24-24S-30E	184' FNL & 35' FWL	3000	Flared/Sold	
Poker Lake Unit 13 DTD 102H		D-24-24S-30E	185' FNL & 285' FWL	2800	Flared/Sold	
Poker Lake Unit 13 DTD 121H		D-24-24S-30E	150' FNL & 35' FWL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 122H		D-24-24S-30E	150' FNL & 285' FWL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 125H		B-24-24S-30E	442' FNL & 2205' FEL	4300	Flared/Sold	
Poker Lake Unit 13 DTD 705H		B-24-24S-30E	512' FNL & 2205' FEL	2900	Flared/Sold	
Poker Lake Unit 13 DTD 905H		B-24-24S-30E	477' FNL & 2205' FEL	3000	Flared/Sold	
Poker Lake Unit 13 DTD 106H		B-24-24S-30E	477' FNL & 1955' FEL	2800	Flared/Sold	
Poker Lake Unit 13 DTD 126H		B-24-24S-30E	442' FNL & 1955' FEL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 104H		C-24-24S-30E	619' FNL & 2275' FWL	2800	Flared/Sold	
Poker Lake Unit 13 DTD 123H		C-24-24S-30E	584' FNL & 2025' FWL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 124H		C-24-24S-30E	584' FNL & 2275' FWL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 703H		C-24-24S-30E	654' FNL & 2025' FWL	2900	Flared/Sold	
Poker Lake Unit 13 DTD 903H		C-24-24S-30E	619' FNL & 2025' FWL	3000	Flared/Sold	
Poker Lake Unit 13 DTD 707H		A-24-24S-30E	512' FNL & 1179' FEL	2900	Flared/Sold	
Poker Lake Unit 13 DTD 907H		A-24-24S-30E	477' FNL & 1179' FEL	3000	Flared/Sold	
Poker Lake Unit 13 DTD 108H		A-24-24S-30E	476' FNL & 929' FEL	2800	Flared/Sold	
Poker Lake Unit 13 DTD 127H		A-24-24S-30E	442' FNL & 1179' FEL	4800	Flared/Sold	
Poker Lake Unit 13 DTD 128H		A-24-24S-30E	442' FNL & 929' FEL	4800	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 Lucid and will be connected to Lucid low/high pressure gathering system located in Eddy County, New Mexico. It will require 302.30' of pipeline to connect the facility to low/high pressure gathering system. BOPCO provides (periodically) to Lucid a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, BOPCO and Lucid have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Red Hills Plant, Sec. 13, T24S, R33E or Roadrunner, Sec. 32, T32S, R28E, Eddy County. 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 Lucid 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
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines