Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date: 7/22/2018

X	Original	Operator	& OGRID No.:	<u>Novo Oil & Gas</u>	Northern Delaware,	LLC (372920)
	Amended - Reason for Amer	adment.				

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: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule 19:15.18.12.A

Well(s)/Production Facility - Name of facility

Well	API	SHL (ULSTR)	SHL Footages	Expected MCF/D	Flared or Vented	Comments
Rana Salada Fed Com 0504 234H	30-015-	P-6-23S-29E	1241 FSL & 669 FEL	7500	30 days	Time depends on well clean up
Rana Salada Fed Com 0504 214H	30-015-	P-6-23S-29E	1242 FSL & 639 FEL	7,500	30 days	Time depends on well clean up
Rana Salada Fed Com 0504 134H	30-015-	P-6-23S-29E	1243 FSL & 609 FEL	2500	30 days	Time depends on well clean up
Rana Salada Fed Com 0504 133H	30-015-	I-6-23S-29E	1443 FSL & 612 FEL	2500	30 days	Time depends on well clean up

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

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 not yet dedicated. However, negotiations are underway. One possible connection is an existing <u>NM Gas Company</u> line that is 100 yards southwest. <u>Novo Oil & Gas Northern Delaware, LLC</u> will provide (periodically) to its <u>Gas Transporter</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Novo Oil & Gas Northern Delaware, LLC</u> and its <u>Gas Transporter</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at an as yet undetermined <u>Gas Transporter</u> Processing Plant located in <u>Eddy</u> County, New Mexico. 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 its <u>Gas Transporter</u> system at that time. Based on current information, it is <u>Novo Oil & Gas Northern Delaware, LLC's</u> belief an existing or new 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.

District 1 1625 N. French Dr., 1 Phone: (575) 393-616 District II \$11 S. First St., Artes Phone: (575) 748-128 District III 1000 Rio Brazos Ron Phone: (505) 334-617 District IV 1220 S. St. Francis Dr Phone: (505) 476-346	il Fax: (575) ia, NM 88210 3 Fax: (575) 7 d. Aztec, NM 3 8 Fax: (505) 3 Sánta Fe, Ni	393-0720 148-9720 87410 34-6170 M \$7505	.]	Energy	OIL	nerals & N CONSER 220 South	√atu VA7 n St.	w Mexico ral Resources FION DIVISIC Francis Dr. M 87505 D	-	^{Sub}	mit one	Form C-102 vised August 1, 2011 copy to appropriate District Office MENDED REPORT
			WEL	L LOO	CATIC	ON AND .	ACI	REAGE DEDI	CATION PI	LAT		
30-015-	460	87			² Pool Co 9822	ode			SAGE; W	Vame	лр (G	GAS)
Property Code 325748			⁵ Property Name RANA SALADA FED COM 0504							⁶ Well Number 214H		
'OGRID No. 372920			N	⁴ Operator Name NOVO OIL AND GAS NORTHERN DELAWARE, LLC							* Elevation 3039.3	
ł								Location		1		
UL or lot no. P	Section 6	Towns 23 S		ange 9 E	Lot Idn	Feet from 1242	the	North/South line SOUTH	Feet from the 639	East/We EAS		County EDDY
			<i>i</i> .	¹ Bot	ttom H	Iole Locat	ion	If Different Fr	om Surface	- I	·	
UL or lot no. P	Section 4	Townsl 23 S	5 29	ange 9 E	Lot Idn	Feet from 330		North/South line SOUTH	Feet from the 330	East/ We EAS		County EDDY
¹¹ Dedicated Acres 640	¹⁾ Joint o	r Infill	¹⁴ Consoli	idation Co C	ode ¹⁵ O)rder No.	-			- k		· · · · · · · · · · · · · · · · · · ·

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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.

$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	OPERATOR CERTIFICATION I hereby certify that the information containing 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 bonom hole location or has a right to drill this will at this location pursuant to a contract with an owner of such a mineral or working interest, or to a woluntary profile agreement or a compulsion pooling order heretofore entered by the division. T-27-18 Signature Date BRIAN WOODD Printed Name brian@permitswest.com E-mail Address (505) 466-8120 wSURVEYOR 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. Jard dury of Survey. 11
	Centresie Number FIGINICANE JAMAMILLO, PLS 12797 SURVEY NO. 6290A

Rup 6-13-19