<u>District I</u> 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 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Santa Fe, NM 87505

OIL CONS. DIV District Office Oil Conservation Division 1220 South St. Francis Dr.

JUL 1 1 2016

Submit Original

GAS CAPTURE PLAN

Da	te: <u>April 25, 2016</u>						
	Original	Operator & OGRID No.:	BP America Production Company - 778				
\boxtimes	Amended - Reason for Ame	mendment: The fracturing method for this well was changed from foam to slickwater; as a					
res	ult, there will be no flowback	period.					

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 (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility - Name of facility

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
Gage Com 001	30-045-20108	M 20 30N 10W	790 FSL 1190 FWL		N/A	Venting/flaring will not be required to return this well to production. Gas will continue to be produced to the existing pipeline.

Gathering System and Pipeline Notification

This is a re-frac of a producing gas well. Gas production, sales and transportation infrastructure is already in place. The gas produced is dedicated to Enterprise and will be connected to their gathering system located in San Juan County, New Mexico.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to the existing production facilities. Gas sales should start as soon as the well starts flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is BP'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.