

District I
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

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

GAS CAPTURE PLAN

OIL CONS. DIV DIST. 3

Date: April 25, 2016

JUL 07 2016

☒ Original

Operator & OGRID No.: BP America Production Company - 778

☐ 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: 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
Price 001E	30-045-26001	D-13-T28N-R8W	980 FNL 1080 FWL	100	Vented	Venting will occur during post-frac cleanout operations. Rate listed in 'Expected MCF/D' column is hydrocarbon portion of vented gas only. Majority of vented gas will be inert (Nitrogen from stimulation, air for cleanout, small amount of hydrocarbon gas).

Gathering System and Pipeline Notification

This is a recompletion 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 temporary production tanks and gas will be flared or vented. During flowback/cleanout operations, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, N₂ and/or O₂, the wells will be routed to production facilities. Gas sales should start as soon as the wells start 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.