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

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# GAS CAPTURE PLAN

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☐ Amended
Reason for Amendment:_____

Operator & OGRID No.: Devon Production Co., L.P. (6137)
Date: 12/11/2019

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 – Blondie 15 CTB 3**

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

| Well Name | API | Well Location (STR) | Footages | Expected MCF/D | Flared or Vented | Comments |
|---|---|---|---|---|---|---|
| Railsplitter 15-22 Fed Com | 10H | Sec 15-26S-34E 30-025-47221 | 2120' FSL & 1361' FWL | | | Will connect to Blondie 15 CTB 3 |
| Railsplitter 15-22 Fed Com | 5H | Sec 15-26S-34E | 2120' FSL & 1391' FWL | | | Will connect to Blondie 15 CTB 3 |
| Railsplitter 15-22 Fed Com | 4H | Sec 15-26S-34E | 2120' FSL & 1421' FWL | | | Will connect to Blondie 15 CTB 3 |
| | | | | | | |

**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 Energy Transfer and will be connected to Energy Transfer low/high pressure gathering system located in Reeves Co. TX. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. Devon provides (periodically) to Energy Transfer a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Devon and Energy Transfer have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at the Red Bluff Processing Plant located in Section 35 of Blk 57, T2, T&P RR Co. Reeves Co. TX. 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 Energy Transfer's system at that time. Based on current information, it is Devon'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