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

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

□ Original			Operator	Operator & OGRID No.: Devon Production Co., L.P. (6137)				
☐ Amended				Date: 02/01/2018				
Rea	son for Amendment:							
	Gas Capture Plan out completion (new drill,				o reduce we	ll/production	facility flaring/venting for	
Note	e: A C-129 must be subr	nitted and app	proved prior to exc	eeding 60 da	ys allowed b	y Rule 19.15.1	18.12.A	
Wel	l(s)/Production Facili	ty – Thistle 2	2 BS CTB 1					
The	well(s) that will be loc	ated at the pro	oduction facility a	re shown in	the table bel	ow.		
	Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments	
	Thistle Unit 100H 3	0-025-	Sec 22-T23S-R33E	335'FNL 1660' FEL			Will connect to Thistle 22 CTB 2	

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 <u>DCP</u> and will be connected to <u>DCP</u> low/high pressure gathering system located in <u>Lea</u> County, New Mexico. It will require <u>0</u>' of pipeline to connect the facility to low/high pressure gathering system. <u>Devon</u> provides (periodically) to <u>DCP</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Devon</u> and <u>DCP</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>DCP</u> Processing Plant located in Sec. <u>19</u>, TWN <u>19S</u>, RNG <u>32S</u>, Eddy 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 <u>DCP</u> system at that time. Based on current information, it is <u>Devon's</u> 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
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines