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State of New Mexico
Energy, Minerals and Natural Resources Department

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

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GAS CAPTURE PLAN

x Original

Operator & OGRID No.: Devon Production Co., L.P. (6137)

☐ Amended

Date: 4/13/2018

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, recomple 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 – Jayhawk 6 CTB 3

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

Well Name	API	Well Location	Footages	Expected MCF/D	Flared or Vented	Comments
Jayhawk 6-7 Fed Fee Com 1H		Sec 6-T26S-R34E	365' FNL 230' FEL			Will connect to Jayhawk 6 CTB 3
Jayhawk 6-7 Fed Fee Com 2H		Sec 6-T26S-R34E	365' FNL 260' FEL			Will connect to Jayhawk 6 CTB 3
Jayhawk 6-7 Fed Fee Com 3H		Sec 6-T26S-R34E	365' FNL 290' FEL			Will connect to Jayhawk 6 CTB 3
Jayhawk 6-7 Fed Fee Com 4H		Sec 6-T26S-R34E	515' FNL 530' FEL			Will connect to Jayhawk 6 CTB 3
Jayhawk 6-7 Fed Fee Com 5H		Sec 6-T26S-R34E	515' FNL 230' FEL			Will connect to Jayhawk 6 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 Lucid and will be connected to Lucid low/high pressure gathering system located in Lea County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. Devon provides (periodically) to Lucid a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Devon and Lucid have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise Processing Plant located in Sec.36, TWN24S, RNG 30E, 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 Lucid'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