<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 811 S. First St., Artesia, NM 88210	State of New Mexi Energy, Minerals and Natural Reso	urces Department Submit Original to Appropriate			
<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 APR 26 2019				
	GAS CAPTURE PLAN	RECEIVED			
x Original	Operator & OGRID No.: <u>I</u>	Devon Production Co., L.P. (6137)			
□ Amended		Date: <u>11/1/2018</u>			
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 19.15.18.12.A

Well(s)/Production Facility – Stranger 33 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	Flared or	Comments
		(ULSTR)		MCF/D	Vented	
Stranger 33 Fed 13H		Sec 33-T25S-R34E	205' FSL			Will connect to Stranger
			2610' FEL			33 CTB 3
Stranger 33 Fed 6H		Sec 33-T25S-R34E	205'FSL			Will connect to Stranger 33
			2640' FEL			CTB 3
Stranger 33 Fed 9H		Sec 33-T25S-R34E	205'FSL			Will connect to Stranger 33
			2610' FEL			CTB 3
Stranger 33 Fed 10H 30-0		Sec 33-T25S-R34E	205'FSL			Will connect to Stranger 33
	23-48885		2580' FEL			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 <u>Enterprise</u> and will be connected to <u>Enterprise</u> low/high pressure gathering system located in <u>Eddy</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>Enterprise</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>Enterprise</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>EnterpriseSouth Eddy</u> Processing Plant located in Sec. <u>36</u>, TWN <u>24S</u>, RNG <u>30E</u>, <u>Eddy</u> 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>Enterprise's</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 nonpipeline 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