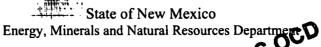
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505

Date: 3/9/18



Submit Original to Appropriate District Office

Oil Conservation Division BS
1220 South St. Francisco. Santa Fe, NM 87505

GAS CAPTURE PLAN

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RECEIVED
RE

☑ Original	Operator & OGRID No.: XTO Energy, Inc [005380]	
☐ 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: Form 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	Footages	Expected	Flared or	Comments
	ļ	(ULSTR)		MCF/D	Vented	
Severus 31-5 Federal Com #7H		N-30-20S-34E	387'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
_		:•	1800'FWL			
		N-30-20S-34E	337'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
	024	46223	1750'FWL			
Severus 31-5 Federal Com #15H		-N-30-20S-34E	337'FSL &	2500MCF/D	Flared/Sold	-CTB Connected to P/L-
			_1800'FWL	<u></u> <u> </u>	. <u> </u>	
Severus 31-5 Federal Com #8H		£4-30-20S-34E	240'FSL &	2500MCF/D	Flared/Sold	CTB-Connected to P/L
			947'FWL			
Severus 31-5 Federal Com #12H	-	L4-30-20S-34E	190'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
-			897'FWL	L		<u> </u>
Severus 31-5 Federal Com #16H		L4-30-20S-34E	_190'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
		•	947'FWL			
Severus 31-5 Federal Com #5H		O-30-20S-34E	130'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
			2162.5'FEL			
Severus 31-5 Federal Com #6H		O-30-20S-34E	130'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
			2312.5'FEL			
Severus 31-5 Federal Com #9H		O-30-20S-34E	80'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
			2212.5'FEL			
Severus 31-5 Federal Com #10H		O-30-20S-34E	80'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
			2262.5'FEL			
Severus 31-5 Federal Com #13H		O-30-20S-34E	80'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
	<u> </u>		2162.5'FEL			
Severus 31-5 Federal Com #13H		O-30-20S-34E	80'FSL &	2500MCF/D	Flared/Sold	CTB Connected to P/L
			2312.5'FEL			

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 Summit Midstream and will be connected to Summit Midstream low/high pressure gathering system located in Eddy County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. XTO Energy, Inc. provides (periodically) to Summit Midstream a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, XTO Energy, Inc. and Summit Midstream have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Summit Midstream's Processing Plant located in Sec. 36, Twn. 20S, Rng. 31E 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>Summit Midstream</u> system at that time. Based on current information, it is <u>XTO Energy, Inc.'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
 - o 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