

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

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: December 23, 2019

☒ Original

Devon & OGRID No.: Devon Energy Production Co., L.P. 6137

☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Devon to reduce well/production facility flaring/venting for new completion (new drill, recomple 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 MCE/D	Flared or Vented	Comments
MARWARI 21-16 STATE FED COM 234Y	30-025-46603	LOT N, 21-25S-32E	500 FSL 1510 FWL			MARWARI 28 CTB I
VAN DOO DAH 21-33 FED COM 233Y	30-025-46643	LOT N, 21-25S-32E	500 FSL 1480 FWL			MARWARI 28 CTB I

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if DCP system is in place. The gas produced from production facility is dedicated to DCP and will be connected to DCP 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 DCP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Devon and DCP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP Processing Plant located in the reference table. 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 DCP 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

Reference Table:

DCP Plant locations
Artesia Sec. 7, T18S, R28E,
Eunice Sec. 5, T21S, R36E

Linam Sec. 6, T19S, R37E
Zia II Sec. 19, T19S, R32E

Harms, Jenny

From: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Sent: Saturday, December 21, 2019 3:49 PM
To: Harms, Jenny
Subject: [EXTERNAL] API Request for Skid of Rig

Hi Jenny,

I came in Saturday to get everything taken care of.

For additional info see section below titled additional if.

FYI the drilling and setting of conductor pipe is considered spudding the well. Our rules require that a sundry be submitted within 10 of spudding a well. This problem could have been avoided if you would have reported this date on a sundry. If you have any other wells that have that conductor pipe has been set you need to report these dates.

NEW API #'s

30-025-46603 MARWARI 21 16 STATE FEDERAL COM #234Y
30-025-46643 VAN DOO DAH 21 33 FEDERAL COM #233Y

ADDITIONAL INFO REQUIRED

30-025-45204 MARWARI 21 16 STATE FEDERAL COM #234

TD of hole.

Date hole drilled and conductor pipe set.

Submitted a BIM
→ Sundry to complete
request.

30-025-45235 VAN DOO DAH 21 33 FEDERAL COM #233

TD of hole.

Date hole drilled and conductor pipe set.

→ "

30-025-46603 MARWARI 21 16 STATE FEDERAL COM #234Y ✓

Gas Capture Plan

see attachments

30-025-46643 VAN DOO DAH 21 33 FEDERAL COM #233Y ✓

Gas Capture Plan

see attachments

Paul Kautz
Hobbs District Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
575-393-6161 ext. 104

Thank you for your
help with this
situation.

Jenny Harms

HOBBS OCD
DEC 30 2019
RECEIVED

Harms, Jenny

From: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Sent: Saturday, December 21, 2019 3:53 PM
To: Harms, Jenny
Subject: [EXTERNAL] FW: API Request for Skid of Rig

Jenny in addition to the GCP I will need new C-102's. The C-102's you sent me were not signed.

Paul

From: Kautz, Paul, EMNRD
Sent: Saturday, December 21, 2019 2:49 PM
To: 'Harms, Jenny' <Jenny.Harms@dmv.com>
Subject: API Request for Skid of Rig

Hi Jenny,

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FYI the drilling and setting of conductor pipe is considered spudding the well. Our rules require that a sundry be submitted within 10 of spudding a well. This problem could have been avoided if you would have reported this date on a sundry. If you have any other wells that have that conductor pipe has been set you need to report these dates.

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