State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

GAS CAPTURE PLAN

<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 Mexico Energy, Minerals and Natural Resources Departr	nent Submit Origina to Appropriate District Office
<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	to Appropriat District Office
Date: 5/20/2019	GAS CAPTURE PLAN	RECEIVE
☑ Original☑ Amended - Reason for Amendment:_	Devon & OGRID No.: <u>Devon Energy Prod</u>	1 Co., LP (6137)

This Gas Capture Plan outlines actions to be taken by the Devon 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
		(ULSTR)		MCF/D	Vented	
PURRITO 18-19 FED	N/A	Lot C, Sec 18	525 FNL			BOUNDARY RAIDER
COM 210H		T23S, R 32E	1760 FWL			7 CTB 2
PURRITO 18-19 FED COM 211H		Lot C, Sec 18 T23S, R 32E	525 FNL 1790 FWL			BOUNDARY RAIDER 7 CTB 2
PURRITO 18-19 FED COM 212H	25-46788	Lot C, Sec 18 T23S, R 32E	525 FNL 1820 FWL			BOUNDARY RAIDER 7 CTB 2
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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 <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 0' of pipeline to connect the facility to low/high pressure gathering system. Devon 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, 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 Sec.19, Twn. 19S, Rng. 32E, 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 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
 - o 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