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

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Submit Original to Appropriate District Office

GAS CAPTURE PLAN

Date: 1/16/2020

☐ Original
☒ Amended - Reason for Amendment: Adding the Turkey Track 8-7 State 34H well.

Operator & OGRID No.: OXY USA WTP LP - 192463

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 (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Turkey Track 8-7 State 21H	30-015-44141	Unit D, Sec. 9, T19S, R29E	1088 FNL, 70 FWL	2996	0	
Turkey Track 8-7 State 22H	30-015-44142	Unit D, Sec. 9, T19S, R29E	1118 FNL, 70 FWL	2996	0	
Turkey Track 8-7 State 23H	30-015-44143	Unit M, Sec. 9, T19S, R29E	1254 FSL 195 FWL	2996	0	
Turkey Track 8-7 State 24H	30-015-44145	Unit M, Sec. 9, T19S, R29E	1224 FSL 195 FWL	2996	0	
Turkey Track 8-7 State 34H	30-015-44160	Unit L, Sec. 7, T19S, R29E	506 FSL 26 FWL	2996	0	
Turkey Track 4-3 State 21H	30-015-44334	Lot 4, Sec. 4, T19S, R29E	1121 FNL 570 FWL	2996	0	
Turkey Track 4-3 State 22H	30-015-44386	Lot 4, Sec. 4, T19S, R29E	1156 FNL 570 FWL	2996	0	
Turkey Track 4-3 State 23H	30-015-44411	Unit L, Sec. 4, T19S, R29E	1435 FSL, 360 FWL	2996	0	
Turkey Track 4-3 State 24H	30-015-44432	Unit L, Sec. 4, T19S, R29E	1400 FSL, 360 FWL	2996	0	
Turkey Track 9-10 State 23H	30-015-44154	Unit P, Sec. 8, T19S, R29E	1195 FSL, 220 FEL	2996	0	
Turkey Track 9-10 State 24H	30-015-44156	Unit P, Sec. 8, T19S, R29E	1165 FSL, 220 FEL	2996	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC ("Enterprise") and will be connected to Enterprise's low/high pressure gathering system located in Eddy County, New Mexico. It will require 1,750' of pipeline to connect the facility to low/high pressure gathering system. OXY USA WTO LP ("OXY") provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise's Chaparral Processing Plant located in Sec. 17, Twn. 19S, 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 Enterprise's system at that time. Based on current information, it is OXY'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