

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

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 03 2017

GAS CAPTURE PLAN

Date: 10/03/2017

RECEIVED

Original
 Amended - Reason for Amendment: _____

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 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 WTP 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