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District II
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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**

GAS CAPTURE PLAN

MAR 28 2018

Date: 11/1/2017

Original

Devon & OGRID No.: Devon Energy Prod. Co., L.P. (6137)

Amended - Reason for Amendment: _____

RECEIVED

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 (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Big Sinks Draw 25-24 Fed Com 531H	30.015	Unit E, Sec 25-T25S-R31E	2334 FNL 955 FWL			Big Sinks Draw 25 CTB 1
	44820					

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 Eddy County, New Mexico. It will require 2500' 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 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 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

Devon Energy, Big Sinks Draw 25-24 Fed Com 531H

1. Geologic Formations

TVD of target	9,088	Pilot hole depth	N/A
MD at TD:	16,129	Deepest expected fresh water:	

Basin

Formation	Depth (ft)		
Rustler	933		
Salado	1253		
Base of Salt	4303		
Delaware	4338		
Bell Canyon	4370		
Cherry Canyon	5330		
Brushy Canyon	6720		
1 st Bone Spring Lime	8348		
Leonard C	9088		

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Depth (ft)	Weight (lb/ft)	Length (ft)	API Spec	Grade	Yield (psi)	API Spec	Factor	Factor	Factor
17.5"	0	958	13.375"	48	H40	STC	1.74	2.45	4.13
12.25"	0	4403	9.625"	40	J55	LTC	1.19	1.42	3.98
8.75"	0	16129	5.5"	17	P110	BTC	2.18	2.7	3.21
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y