

NM OIL CONSERVATION

ARTESIA DISTRICT

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

OCT 1 2019

Submit Original
to Appropriate
District OfficeOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505**RECEIVED****GAS CAPTURE PLAN**Date: 10-01-2018☒ OriginalOperator & OGRID No.: OXY USA INC. - 16696☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator 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
PALLADIUM MDP1 7-6 FEDERAL COM 171H	Pending	4 – 7 – 24S – 31E	609' FSL 1197' FWL	4184	0	
PALLADIUM MDP1 7-6 FEDERAL COM 172H	Pending	4 – 7 – 24S – 31E	609' FSL 1232' FWL	4184	0	
PALLADIUM MDP1 7-6 FEDERAL COM 173H	Pending	4 – 7 – 24S – 31E	609' FSL 1267' FWL	4184	0	
PALLADIUM MDP1 7-6 FEDERAL COM 174H	Pending	B – 18 – 24S – 31E	1116' FML 1570' FEL	4184	0	
PALLADIUM MDP1 7-6 FEDERAL COM 175H	Pending	B – 18 – 24S – 31E	1081' FNL 1570' FEL	4184	0	
PALLADIUM MDP1 7-6 FEDERAL COM 176H	Pending	B – 18 – 24S – 31E	1151' FNL 1570' FEL	4184	0	
PATTON MDP1 18 FEDERAL 171H	Pending	4 – 7 – 24S – 31E	890' FSL 1055' FWL	4184	0	
PATTON MDP1 18 FEDERAL 172H	Pending	4 – 7 – 24S – 31E	890' FSL 1090' FWL	4184	0	
PATTON MDP1 18 FEDERAL 173H	Pending	4 – 7 – 24S – 31E	890' FSL 1125' FWL	4184	0	
PATTON MDP1 18 FEDERAL 174H	Pending	O – 7 – 24S – 31E	119' FSL 1463' FEL	4184	0	
PATTON MDP1 18 FEDERAL 175H	Pending	O – 7 – 24S – 31E	119' FSL 1463' FEL	4184	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 is connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. OXY USA INC. ("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 Processing Plant located in Sec. 36, Twn. 24S, Rng. 30E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.