District !
1625 N. French Dr., Hobbs, NM 88240
District !!
811 S. First St., Artesia, NM 88210
District !!!
1000 Rio Brazos Road, Aztec, NM 87410
District !V
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NM OIL CONSERVATION

Date: 12/01/2017	GAS CAPTURE PLAN	NOV 28 2018		
☑ Original☐ Amended - Reason for Amendment:	Operator & OGRID No.: BOPCO, L.P. [260	RECEIVED		

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: JRU DI2 Battery

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	
James Ranch Unit DI 2 BS3-1W 271H		K-25-25S-30E	2600`FSL & 1910'FWL	2500 MCF/D	Flared/Sold	CTB Connected to P/L	
	30.018	1.45465					

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>ETC</u> and will be connected to <u>ETC</u> low/high pressure gathering system located in Lea County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. <u>BOPCO, L.P.</u> provides (periodically) to <u>ETC</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>BOPCO, L.P.</u> and <u>ETC</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>ETC</u>'s Processing Plant located in Sec. 33 Twn. 24S, Rng. 37E, Lea 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>ETC's</u> system at that time. Based on current information, it is <u>BOPCO</u>, <u>L.P.'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 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
 - 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
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



w.prototypewellplanning.com

Planning Report

EDM 5000.1 Single User Db Database:

Local Co-ordinate Reference:

Well JAMES RANCH UNIT DI 2 BS3-1W

Company:

XTO Energy

Eddy County, NM (NAD-27)

TVD Reference: MD Reference:

RKB = 25' @ 3369.00usft (Unknown)

Project: Site:

James Ranch Unit DI 2

North Reference:

RKB = 25' @ 3369.00usft (Unknown)

Well:

JAMES RANCH UNIT DI 2 BS3-1W 271H

Survey Calculation Method:

Grid Minimum Curvature

ОН Wellbore: Plan #1 Design:

Design Targets

Target Name - hit/miss target Di - Shape	p Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
JRU DI 2 BS3-1W 27 [.] - plan hits target cent - Point	0.00 ter	0.00	0.00	0.00	0.00	496,082.40	653,479.00	32.362866	-103.836267
JRU DI 2 BS3-1W 27 ⁻ - plan hits target cent - Point	0.00 ter	0.00	10,921.00	2,341.20	-2,259.20	498,423.60	651,219.80	32.369330	-103.843549
JRU DI 2 BS3-1W 27 ⁻ - plan hits target cent - Point	0.00 ter	0.01	10,921.00	2,316.80	-15,062.40	498,399.20	638,416.60	32.369418	-103.885016
JRU DI 2 BS3-1W 27 ⁻ - plan misses target of Point	0.00 center by		10,921.00 24402.40u:		-14,932.40 21.00 TVD, 2	498,399.40 317.05 N, -14932	638,546.60 2.40 E)	32.369417	-103.884595

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)			
371.00	371.00	Rustler						
671.00	671.00	Salado						
3,659.02	3,602.00	Base Salt						
3,896.32	3,826.00	Delaware/Lamar						
3,938.69	3,866.00	Bell Canyon						
4,913.29	4,786.00	Cherry Canyon	Cherry Canyon					
5,088.08	4,951.00	Base Manzanita	Base Manzanita					
6,587.05	6,366.00	Brushy Canyon						
7,694.06	7,411.00	Basal Brushy Canyon						
7,974.79	7,676.00	Base Brushy Canyon Sands						
8,001.27	7,701.00	Bone Spring						
8,107.21	7,801.00	Avalon Sand						
8,626.29	8,291.00	Lower Avalon Shale						
9,124.18	8,761.00	First Bone Spring Sand						
9,600.88	9,211.00	Second Bone Spring Shale/Limesto						
9,971.65	9,561.00	Second Bone Spring Sand						
10,162.34	9,741.00	Second Bone Spring B Sand						
10,278.86	9,851.00	Third Bone Spring Shale/Limestone						
11,032.73	10,561.00	Third Bone Spring Sand						
11,437.49	10,851.00	Third Bone Spring RH Sand						