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

Date: 12/01/2017

State of New Mexico Energy, Minerals and Natural Resources Depatament 0 2019

Submit Original to Appropriate District Office

Oil Conservation Division
1220 South St. Francis DISTRICT II-ARTESIA O.C.D.
Santa Fe, NM 87505

GAS CAPTURE PLAN

Duto.12/01/2017		
□ Original	Operator & OGRID No.: BOPCO, L.P. [260737]	
☐ 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, 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 WCY-8W 274H		K-25-25S-30E	2420'FSL & 1960'FWL	2500 MCF/D	Flared/Sold	CTB Connected to P/L
30-0	15.45	616				

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's</u> 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
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



GATES E & S NORTH AMERICA, INC

DU-TEX

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GRADE D PRESSURE TEST CERTIFICATE

Customer:	AUSTIN DISTRIBUTING	Test Date:	6/8/2014
Sustamer Ref. :	PENDING	Hose Senal No.:	D-06081-1-1
invace No. :	201709	Created By:	NORMA
Pitalist Description		FD101220	
Product Description:		FD3.0-(2.0R41/16.5KFLGE/E	LE
	4 1/16 m.5K FLG	7	
Product Dyscription: End Filters 1 : Sales Part No. :	4 1/16 m.SK FLG 4774-6001	FD3.0-i2.0R41/16.5KFLGE/E End Fitting 2 : Assembly Cude :	LE 4 1/16 in.5K FLG L33090011513D-060814-1

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 7,500 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality:

Card : Signature : QUALITY b/8/2014

Technical Supervisor:

Date:

Signature:

PRODUCTION

-56/8/2014

Form PTC - 01 Rev.0 2