

GAS CAPTURE PLAN

Date: 8/27/2018

☒ Original Devon & OGRID No.: Devon Energy Prod. Co., L.P. (6137)
☐ Amended - Reason for Amendment: _____

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
Lusitano 27-34 Fed Com 713H		Unit C, Sec 27-T25S-R31E	235 FNL 1762 FWL			Lusitano 27 CTB 3
<u>30-015-45658</u>						

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if Enterprise system is in place. The gas produced from production facility is dedicated to Enterprise and will be connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. It will require 400' of pipeline to connect the facility to low/high pressure gathering system. Devon 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, Devon and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise 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.

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 Enterprise 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

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Geometry

Imperial

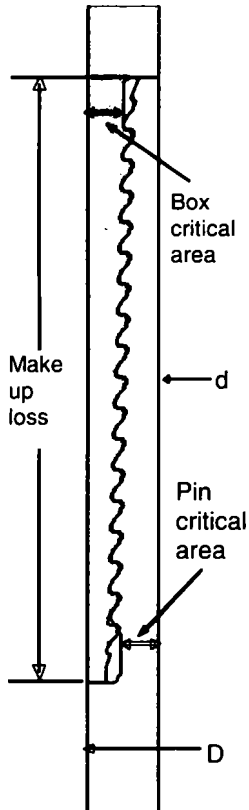
S.I.

Pipe Body

Grade	P110		P110	
Pipe OD (D)	7 5/8	in	193.68	mm
Weight	29.70	lb/ft	44.20	kg/m
Actual weight	29.04		43.21	kg/m
Wall Thickness (t)	0.375	in	9.53	mm
Pipe ID (d)	6.875	in	174.63	mm
Pipe body cross section	8.537	in ²	5,508	mm ²
Drift Dia.	6.750	in	171.45	mm

Connection

Box OD (W)	7.625	in	193.68	mm
PIN ID	6.875	in	174.63	mm
Make up Loss	3.040	in	77.22	mm
Box Critical Area	4.424	in ²	2854	mm ²
Joint load efficiency	60	%	60	%
Thread Taper	1 / 16 (3/4" per ft)			
Number of Threads	5 TPI			



Performance Properties for Pipe Body

M.I.Y.P.	9,470	psi	65.31	MPa
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Note S.M.Y.S.= Specified Minimum YIELD Strength of Pipe body
M.I.Y.P. = Minimum Internal Yield Pressure of Pipe body

Performance Properties for Connection

Min. Compression Yield	563 kips (60% of S.M.Y.S.)
External Pressure	100% of Collapse Strength

Recommended Torque

Opti.	17,200	ft-lb	23,300	N-m
Operational Max.	23,600	ft-lb	32,000	N-m

Note : Operational Max. torque can be applied for high torque application

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The products described in this Connection Data Sheet are not recommended for use in deep water offshore applications. For more information, please refer to http://www.mtlo.co.jp/mo-con/images/top/WebsiteTerms_Active_20333287_1.pdf the contents of which are incorporated by reference into this Connection Data Sheet.