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

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

Submit Original to Appropriate District Office

NM OIL CONSERVATION ARTESIA DISTRICT

0CT 0 3 2017

GAS CAPTURE PLAN

RECEIVED

🛛 Original

Date: 10/03/2017

Operator & OGRID No.: OXY USA WTP LP - 192463

□ 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

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 |
|-------------------|---------|--------------------------|-----------|-------------------|---------------------|----------|
| Turkey Track 8-7 | 30-015- | Unit D, Sec. 9, | 1088 FNL, | 2996 | 0 | |
| State 21H | 44141 | T19S, R29E | 70 FWL | | | |
| Turkey Track 8-7 | 30-015- | Unit D, Sec. 9, | 1118 FNL, | 2996 | 0 | |
| State 22H | 44142 | T19S, R29E | 70 FWL | | | |
| Turkey Track 8-7 | 30-015- | Unit M, Sec. 9, | 1254 FSL | 2996 | 0 | |
| State 23H | 44143 | T19S, R29E | 195 FWL | | | |
| Turkey Track 8-7 | 30-015- | Unit M, Sec. 9, | 1224 FSL | 2996 | 0 | |
| State 24H | 44145 | T19S, R29E | 195 FWL | | | |
| Turkey Track 4-3 | 30-015- | Lot 4, Sec. 4, | 1121 FNL | 2996 | 0 | |
| State 21H | 44334 | T19S, R29E | 570 FWL | | | |
| Turkey Track 4-3 | 30-015- | Lot 4, Sec. 4, | 1156 FNL | 2996 | 0 | |
| State 22H | 44386 | T19S, R29E | 570 FWL | | | |
| Turkey Track 4-3 | 30-015- | Unit L, Sec. 4, | 1435 FSL, | 2996 | 0 | |
| State 23H | 44411 | T19S, R29E | 360 FWL | | | |
| Turkey Track 4-3 | 30-015- | Unit L, Sec. 4, | 1400 FSL, | 2996 | 0 | |
| State 24H | 44432 | T19S, R29E | 360 FWL | | | |
| Turkey Track 9-10 | 30-015- | Unit P, Sec. 8, | 1195 FSL, | 2996 | 0 | |
| State 23H | 44154 | T19S, R29E | 220 FEL | | | |
| Turkey Track 9-10 | 30-015- | Unit P, Sec. 8, | 1165 FSL, | 2996 | 0 | |
| State 24H | 44156 | T195, R29E | 220 FEL | <u> </u> | | |

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 <u>Enterprise Field Services, LLC ("Enterprise"</u>) and will be connected to <u>Enterprise's</u> low/high pressure gathering system located in Eddy County, New Mexico. It will require <u>1,750</u>' of pipeline to connect the facility to low/high pressure gathering system. <u>OXY USA WTP LP ("OXY"</u>) provides (periodically) to <u>Enterprise</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>OXY</u> and <u>Enterprise</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Enterprise's Chaparral</u> Processing Plant located in Sec. <u>17</u>, Twn. <u>19S</u>, Rng. <u>31E</u>, <u>Eddy</u> 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