

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

NM OIL CONSERVATION
 ARTESIA DISTRICT
 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
 MAR 28 2018
 RECEIVED

GAS CAPTURE PLAN

Date: 9/28/17

Original Operator & OGRID No.: XTO Energy, Inc [005380]
 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: Muy Wayno 18 Federal CTB

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 |
|-----------------------|-----------------|-----------------------|-----------------------|----------------|------------------|----------|
| Muy Wayno 18 Fed 102H | | L-18-25S-30E | 2310' FSL & 1115' FWL | 2530 | Flared/Sold | |
| Muy Wayno 18 Fed 122H | | L-18-25S-30E | 2310' FSL & 1145' FWL | 3960 | Flared/Sold | |
| Muy Wayno 18 Fed 703H | 30-015 44845 | L-18-25S-30E | 2310' FSL & 1205' FWL | 2530 | Flared/Sold | |
| Muy Wayno 18 Fed 903H | | L-18-25S-30E | 2310' FSL & 1175' FWL | 2300 | Flared/Sold | |
| Muy Wayno 18 Fed 121H | | L-18-25S-30E | 2310' FSL & 410' FWL | 3960 | Flared/Sold | |
| Muy Wayno 18 Fed 701H | | L-18-25S-30E | 2310' FSL & 350' FWL | 2530 | Flared/Sold | |
| Muy Wayno 18 Fed 901H | | L-18-25S-30E | 2310' FSL & 380' FWL | 2300 | Flared/Sold | |
| Muy Wayno 18 Fed 123H | | K-18-25S-30E | 2310' FSL & 1930' FWL | 3960 | Flared/Sold | |
| Muy Wayno 18 Fed 104H | | K-18-25S-30E | 2310' FSL & 1990' FWL | 3960 | Flared/Sold | |
| Muy Wayno 18 Fed 124H | | K-18-25S-30E | 2310' FSL & 1960' FWL | 2530 | Flared/Sold | |

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 Enlink and will be connected to Enlink low/high pressure gathering system located in Loving County, Texas. It will require 196.30' of pipeline to connect the facility to low/high pressure gathering system. XTO provides (periodically) to Enlink a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, XTO and Enlink have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enlink Processing Plant located in Block 27, Sec. 4, Loving County, Texas. 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 Enlink system at that time. Based on current information, it is XTO's belief the system can take this gas upon completion of the well(s).