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 De Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	epartment Submit Original to Appropriate NM OIL CONSERVATION ARTESIA DISTRICT MAY 1 6 2018
Date: <u>2-2-18</u>	GAS CAPTURE PLAN	RECEIVED
X Original □ Amended - Reason for Amendment:_	Operator & OGRID No.: <u>Tap Rock (</u>	Operating, LLC (372043)

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

Well API		SHL (ULSTR)	SHL Footages	Expected MCF/D	Flared or Vented	Comments	
Double Diamond Fed Com 158H	30-015-	P-14-24s-31e	305' FSL & 935' FEL	750	<30 days	flare until well clean, then connect	
Double Diamond Fed Com 224H	30-015-	P-14-24s-31e	305' FSL & 885' FEL	750	<30 days	flare until well clean, then connect	
Double Diamond Fed Com 228H	30-015- 44980	P-14-24s-31e	305' FSL & 910' FEL	750	<30 days	flare until well clean, then connect	
Double Diamond Fed Com 238H	30-015-	P-14-24s-31e	305' FSL & 860' FEL	750	<30 days	flare until well clean, then connect	

The well(s) that will be located at the production facility are shown in the table below.

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. Gas produced from this production facility has not yet been dedicated. However, a possible connection is an existing Agave pipeline that is 1/8 mile northeast. <u>Operator</u> will provide (periodically) to <u>Gas Transporter</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Operator</u> and <u>Gas Transporter</u> will have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Gas Transporter</u> Processing Plant at an as yet undetermined location. 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>Gas Transporter</u> system at that time. Based on current information, it is <u>Operator's</u> belief the system ultimately 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 nonpipeline 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
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

05/01/2018

APD ID: 10400027206

Operator Name: TAP ROCK OPERATING LLC

Well Name: DOUBLE DIAMOND FED COM

Well Type: CONVENTIONAL GAS WELL

Submission Date: 02/12/2018

Well Number: 228H

Well Work Type: Drill

Highlighted data reflects the most recent changes

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Show Final Text

Section 1 - Geologic Formations

Formation	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1		3586	0	0	OTHER : Quaternary caliche	USEABLE WATER	No
2	RUSTLER ANHYDRITE	2855	731	731		NONE	No
3	SALADO	2519	1067	1067	SALT	NONE	No
4	BASE OF SALT	773	2813	2815		NONE	No
5	BELL CANYON	-1027	4613	4617	SANDSTONE	NATURAL GAS,CO2,OIL	No
6	BRUSHY CANYON	-3137	6723	6727	SANDSTONE	NATURAL GAS,CO2,OIL	No
7	BONE SPRING	-4857	8443	8447	LIMESTONE	NATURAL GAS,CO2,OIL	No
8	BONE SPRING 1ST	-5857	9443	9447	SANDSTONE	NATURAL GAS,CO2,OIL	No
9	BONE SPRING 2ND	-6497	10083	10089	SANDSTONE	NATURAL GAS,CO2,OIL	No
10	BONE SPRING 3RD	-7757	11343	11362	SANDSTONE	NATURAL GAS,CO2,OIL	No
11	WOLFCAMP	-8237	11823	11846	OTHER : A Carbonate	NATURAL GAS,CO2,OIL	No
12	WOLFCAMP	-8417	12003	12042	OTHER : A Fat Carbonate	NATURAL GAS,CO2,OIL	No
13	WOLFCAMP	-8607	12193	12759	OTHER : B1 Carbonate	NATURAL GAS,CO2,OIL	Yes
14	WOLFCAMP	-8607	12193	12232	OTHER : B Carbonate	NATURAL GAS,CO2,OIL	No

Section 2 - Blowout Prevention