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

October 9, 2018

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

Oil Conservation Division NM OIL CONSERVATION 1220 South St. Francis Dr. ARTESIA DISTRICT Santa Fe, NM 87505

FEB 1 4 2019

PECFIVED

GAS CAPTURE PLAN

Dute. October 7, 2010	I/FARIARE
☑ Original☐ Amended - Reason for Amendment:	Operator & OGRID No.: Murchison Oil & Gas, Inc. (15363)

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 - Rock Ridge CTB

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

Well Name API	API	Well Location	Footages	Expected	Flared or	Comments
		(ULSTR)		MCF/D	Vented	-
Rock Ridge Federal 3H	_	H-30-24S-29E	1520 FNL 350 FEL	85	0	
Rock Ridge Federal WCB 1H		A-30-24S-29E	310 FNL 300 FEL	3290	0	
Rock Ridge Federal WCXY 2H		A-30-24S-29E	330 FNL 300 FEL	1350	0	
Rock Ridge Federal BSS 4H 30.	015-45730	A-30-24S-29E	350 FNL 300 FEL	1270	0	
Rock Ridge Federal WCB 5H		A-30-24S-29E	745 FNL 250 FEL	3290	0	
Rock Ridge Federal WCXY 6H		A-30-24S-29E	765 FNL 250 FEL	1350	0	
Rock Ridge Federal BSS 7H		A-30-24S-29E	785 FNL 250 FEL	1270	0	
Rock Ridge Federal WCB 8H		A-30-24S-29E	805 FNL 250 FEL	3290	0	

Gathering System and Pipeline Notification

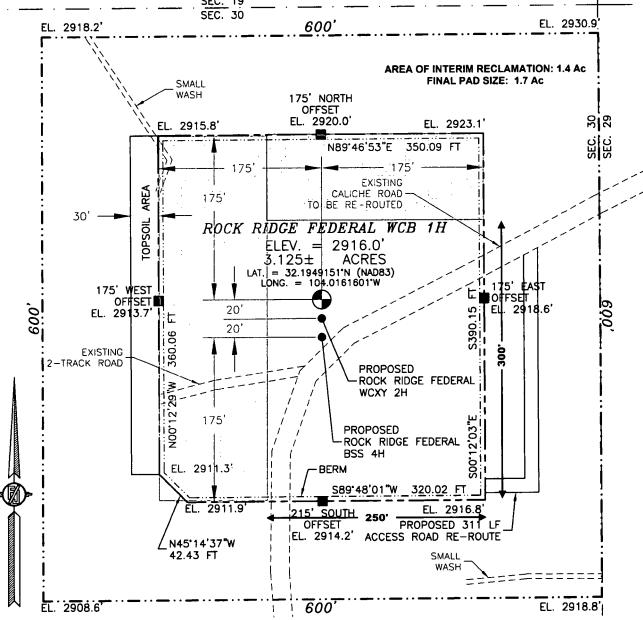
Well(s) will be connected to a production facility (**Rock Ridge Central Tank Battery**) after flowback operations are complete. The gas produced from production facility is dedicated to **DCP Midstream**, **LP** ("**DCP**") and will be connected to **DCP's High** pressure gathering system located in **Lea** County, New Mexico. It will require **no additional** pipeline to connect the facility to the **High** pressure gathering system. **Murchison Oil & Gas, Inc.** ("**Murchison**") provides (periodically) to **DCP** a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, **Murchison** and **DCP** have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at **DCP's Zia II** Processing Plant located in Sec. **19**, Twn. **19 S**, Rng. **32 E**, **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. 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>DCP's</u> system at that time. Based on current information, it is <u>Murchison's</u> belief the system can take this gas upon completion of the well(s).

SECTION 30, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. ELEVATION VALUES ARE NAVIOBB.



200 50 SCALE 1" = 100

DIRECTIONS TO LOCATION

DIRECTIONS TO LOCATION FROM U.S. HIGHWAY 285 AND PAVED CR 720 (DUARTE) GO EAST ON CR 720 1.3 MILES, TURN RIGHT ON PAVED CR 746 (McDONALD) AND GO SOUTH THEN EAST A TOTAL OF 2.88 MILES, TURN RIGHT ON CALICHE ROAD AND GO SOUTH 0.62 OF A MILE, BEND RIGHT AND GO SOUTHWEST 340' TO EXISTING ROAD RE-ROUTE AND FOLLOW FLAGS SOUTH 261', THEN WEST 50' (TOTAL OF 311') TO THE SOUTHEAST PAD CORNER FOR THIS LOCATION.

MURCHISON OIL & GAS, INC. ROCK RIDGE FEDERAL WCB 1H LOCATED 310 FT. FROM THE NORTH LINE AND 300 FT. FROM THE EAST LINE OF SECTION 30, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 20, 2017

SURVEY NO. 5507A

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO