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

Submit Original to Appropriate District Office

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

#### GAS CAPTURE PLAN

Date: 07/26/2019	
02/05/2019	
□ Original	Operator & OGRID No.: Advance Energy Partners Hat Mesa, 372417
☐ 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

WOOL HEAD 20 STATE COM 703H Ad

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
Wool Head 20 State Com # 606H <b>30</b>	-025-462	0,20,21S,33E <b>267</b>	150 FSL & 2013 FEL	1000	20 MMCF	Flare during initial testing and cleanup

### **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 <a href="Targa Midstream">Targa Midstream</a> and will be connected to <a href="Targa Midstream">Targa Midstream</a> and will be connected to <a href="Targa Midstream">Targa Midstream</a> and will require <a href="1500">1500</a> of pipeline to connect the facility to low/<a href="https://high.pressure.gathering.new.">high.pressure.gathering.pressure.gathering.gather

# **Flowback Strategy**

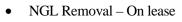
After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>Targa Midstream's</u> system at that time. Based on current information, it is Advance Energy Partners' 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
  - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
  - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines



o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines