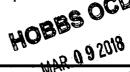
District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department



Submit Original to Appropriate District Office

1625 N. French Dr., Hobbs, NM 88240 District III 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV	Oil	Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr.			Submit Original to Appropriate District Office	
1220 S. St. Francis Dr., Santa Fe, NM 87505	٠. و	Santa Fe, NM 87505			0 3 5010	
Date: 9-25-17	GAS CA	GAS CAPTURE PLAN			RECEIVED	
⊠ Original		& OGRID N	lo.: <u>Mewbo</u> ı	ırne Oil Con	npany - 14744	
☐ Amended - Reason for Amendmen	t:			 		
Well(s)/Production Facility – Name The well(s) that will be located at the p Well Name API	of facility		·		Comments	
Well Name AFI	(ULSTR)	rootages	MCF/D	Vented	Comments	
RED HILLS WEST UNIT #02011	M-8-26S-32E	200' FSL & 1205' FW	. 0	NA	ONLINE AFTER FRAC	
Gathering System and Pipeline Noti Well(s) will be connected to a product	tion facility after flo					
place. The gas produced from produced western low/high pressur	uction facility is de	edicated to _	Western LEA (County New	and will be connected to	
of pipeline to connect the	facility to low/high	pressure ga	thering syste	em. <u>Mewbo</u>	urne Oil Company provides	
(periodically) to Western	a drilling, completio	n and estimat	ed first prod	uction date fo	or wells that are scheduled to	
be drilled in the foreseeable future. conference calls to discuss changes t						
connecence cans to discuss changes t	o arming and con.	тртенон зепе	autes. Gas	monn unesc	wens win or processed at	

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 ___westerp ____ system at that time. Based on current information, it is Operator's belief the system can take this gas upon completion of the well(s).

Processing Plant located in Sec. 36 __, Blk. _58 TlS __, Culberson County, Texas. The actual flow

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.

of the gas will be based on compression operating parameters and gathering system pressures.

- 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
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines