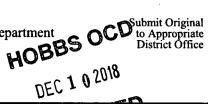
1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

## State of New Mexico Energy, Minerals and Natural Resources Department

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



RECEIV	

Date: 10-19-2017	_	GAS CA	APTURE PL	.AN	R	ECEIAL
☑ Original		Operator	r & OGRID	No.: <u>Mewbo</u>	urne Oil Cor	npany - 14744
☐ Amended - Reason	for Amendmen	t:			. <del>.</del>	
This Gas Capture Plan new completion (new downward)  Note: Form C-129 must be Well(s)/Production Fa  The well(s) that will be	rill, recomplete e submitted and a ncility – Name	e to new zone, re-fra pproved prior to excee of facility	ac) activity.	allowed by Ru	le (Subsection )	a facility flaring/venting for
Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
IBEX 10 B3PA FED COM#1H	0-025-45	B-15-23S-34E	185' FNL & 600' FEL	0	NA	ONLINE AFTER FRAC
Gathering System and Well(s) will be connect			owback one	rations are o	omplete if a	gas transporter system is in

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 toEnergy Transfer and will be connected to
low/high pressure gathering system located in County, New Mexico. It will require
200 of pipeline to connect the facility to low/high pressure gathering system. Mewbourne Oil Company provides
(periodically) to _Energy Transfer a drilling, completion and estimated first production date for wells that are scheduled to
be drilled in the foreseeable future. In addition, Mewbourne Oil Company and Energy Transfer have periodic
conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at
Energy Transfer Processing Plant located in Sec. 33, Twn. 24S, Rng. 37E, 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 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 \_\_Energy Transfer\_ 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).

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
  - 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