

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

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to Appropriate
District Office

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GAS CAPTURE PLAN

Date: 09/06/2019

☐ Original

Operator & OGRID No.: EOG Resources Inc 7377

☒ Amended - Reason for Amendment: COMPLETED WELL

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Well(s)/Production Facility – Name of facility

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
LOMAS ROJAS 26 STATE COM #506H	30-025-45756	SEC 26 T25S R33E	753' FNL & 950' FWL	2500 MCFD	95 mcf total flared	New Well

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 ENTERPRISE & REGENCY and will be connected to EOG Resources Inc low/high pressure gathering system located in LEA County, New Mexico. It will require N/A' of pipeline to connect the facility to low/high pressure gathering system. EOG Resources Inc provides (periodically) to ENTERPRISE & REGENCY a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, EOG Resources Inc and ENTERPRISE & REGENCY have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at ENTERPRISE & REGENCY Processing Plant located in 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 ENTERPRISE & REGENCY system at that time. Based on current information, it is EOG Resources Inc 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
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

September 5, 2019

State of New Mexico
Oil Conservation Division – District 1
1625 N. French Drive
Hobbs, New Mexico 88240

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Re: Request for exception to Rule 107 J
Tubingless Completion
LOMAS ROJAS 26 STATE COM #506H

EOG Resources, Inc. requests an exception to NMOC Rule 107 J regarding required production tubing. EOG requests a tubingless completion for the well listed above to allow greater flowback after frac stimulation.

The plan is to install production tubing as soon as flow decreases, which should occur within 6 months.

Thank you for your consideration of this request. If additional information is needed, please contact me at 432 686-3658.

Sincerely,

EOG Resources, Inc.

A handwritten signature in black ink that reads "Kay Maddox". The signature is written in a cursive, flowing style.

Kay Maddox
Regulatory Analyst