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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43958	² Pool Code 75750	³ Pool Name CULEBRA BLUFF; WOLFCAMP, SOUTH (GAS)
⁴ Property Code 315284	⁵ Property Name JIMMY KONE 05-24S-28E RB	
⁶ Well Number #226H	⁷ Elevation 3042'	
⁸ OGRID No. 228937	⁹ Operator Name MATADOR PRODUCTION COMPANY	

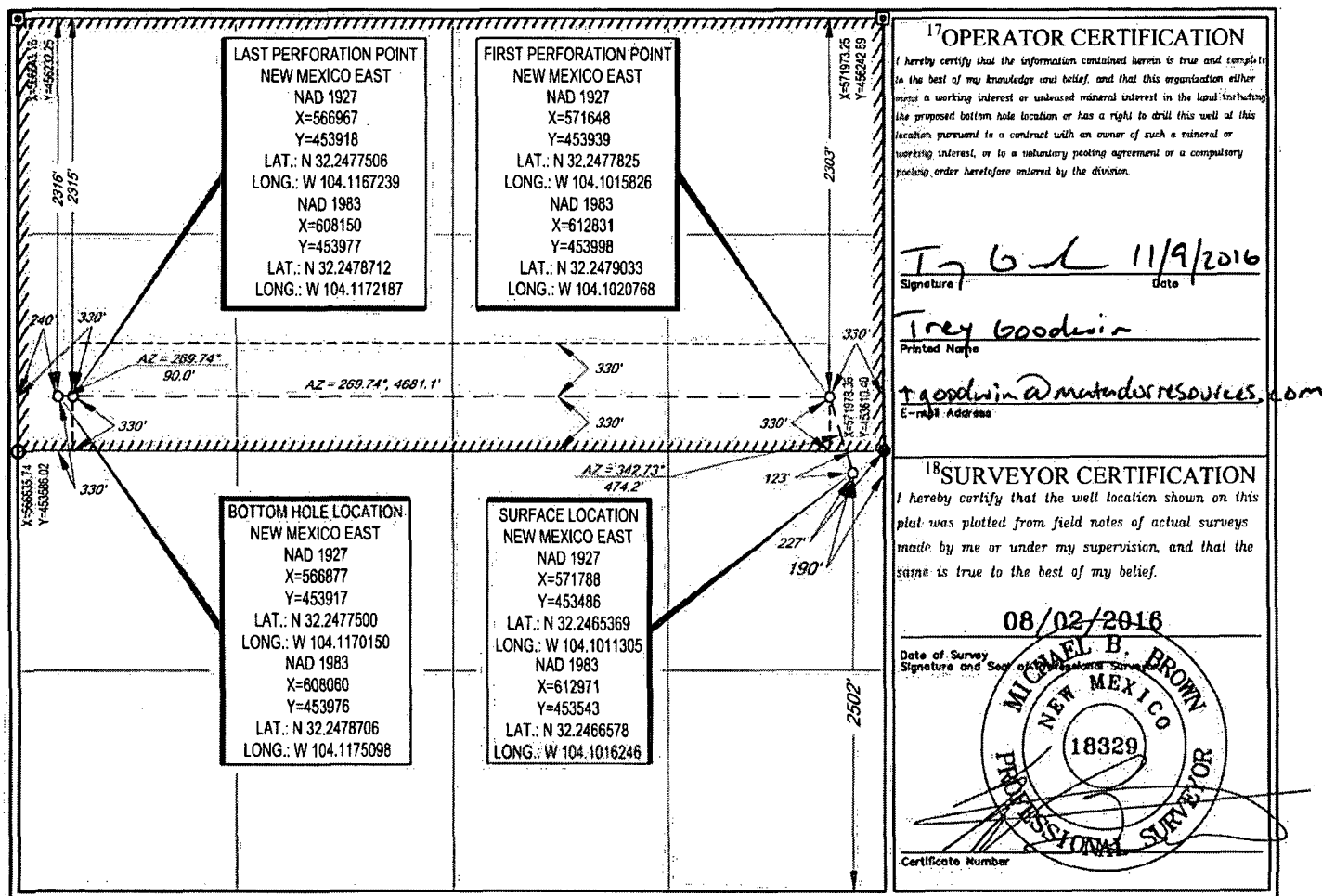
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	5	24-S	28-E	-	2502'	SOUTH	190'	EAST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	5	24-S	28-E	-	2316'	NORTH	240'	WEST	EDDY

¹¹ Dedicated Acres 320	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

X Original

Operator & OGRID No.: Matador Production Company (228937)

☐ Amended

Date: _____

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, recomple to new zone, re-frac) activity.

Note: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule 19.15.18.12.A

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
Jimmy Kone 5-24S-28E RB 226H	N/A	UL-I Sec 5 T24S R28E	2502' SOUTH 190' EAST	+/- 6000	~21 days	Flare ~14-21 days on flowback before turn into TB. Time est. depends on sales connect and well cleanup.
Jimmy Kone 5-24S-28E RB 223H		UL-I Sec 5 T24S R28E	2503' SOUTH 320' EAST	+/- 6000	~21 days	Flare ~14-21 days on flowback before turn into TB. Time est. depends on sales connect and well cleanup.

Gathering System and Pipeline Notification

The well will be connected to a production facility after flowback operations are complete so long as the gas transporter system is in place. The gas produced from the production facility should be connected to Longwood Midstream Delaware, LLC's low/high pressure gathering system located in Eddy County, New Mexico. It will require ~800' of pipeline to connect the facility to a low/high pressure gathering system. Matador Production Company periodically provides a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future to Longwood Midstream Delaware, LLC. If changes occur that will affect the drilling and completion schedule, Matador Production Company will notify Longwood Midstream Delaware, LLC. Additionally, the gas produced from the well will be processed at a processing plant further downstream and, although unanticipated, any issues with downstream facilities could cause flaring at the wellhead. The actual flow of the gas will be based on compression operating parameters and gathering system pressures measured when the well starts producing.

Flowback Strategy

After the fracture treatment/completion operations (flowback), the well will be produced to temporary production tanks and the gas will be flared or vented. During flowback, the fluids and sand content will be monitored. If the produced fluids contain minimal sand, then the well will be turned to production facilities. The gas sales should start as soon as the well starts flowing through the production facilities, unless there are operational issues on the midstream system at that time. Based on current information, it is Matador's belief the system will be able to take the gas upon completion of the well.

Safety requirements during cleanout operations 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.

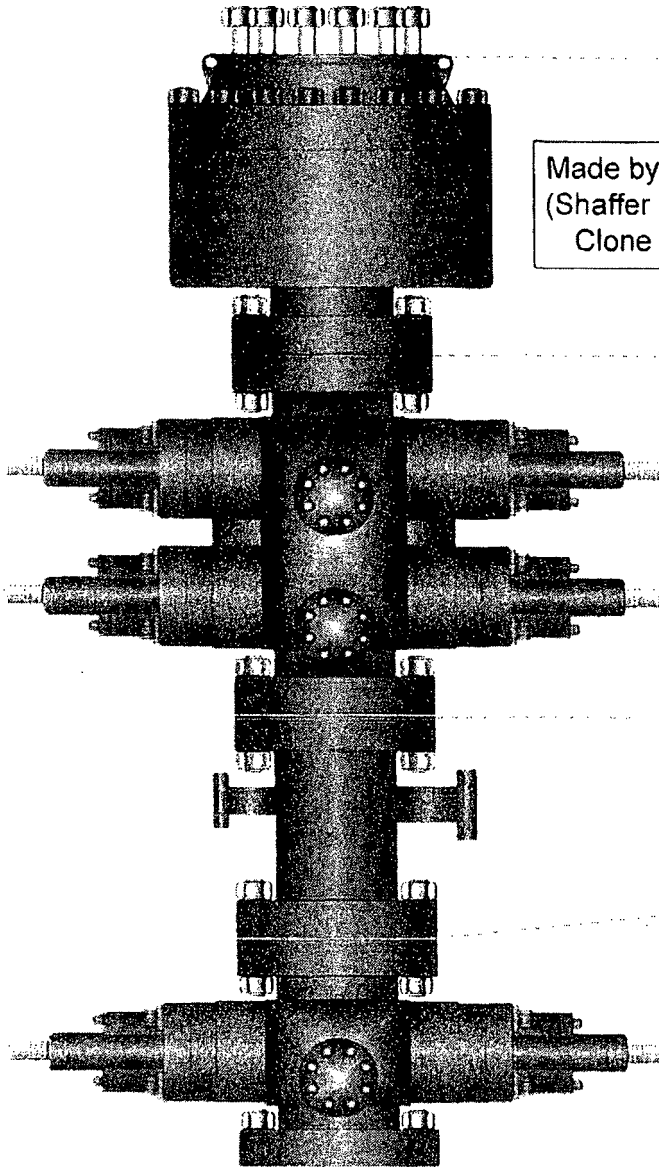
- **Power Generation – On lease**
 - Operating a generator will only utilize a portion of the produced gas and the remainder of gas would still need to be flared.
 - Power Company has to be willing to purchase gas back and if they are willing they require a 5 year commitment to supply the agreed upon amount of power back to them. With gas decline rates and unpredictability of markets it is impossible to agree to such long term demands. If the demands are not met then operator is burdened with penalty for not delivering.
- **Compressed Natural Gas – On lease**
 - Compressed Natural Gas is likely to be uneconomic to operate when the gas volume declines.
- **NGL Removal – On lease**
 - NGL Removal requires a plant and is expensive on such a small scale rendering it uneconomic and still requires residue gas to be flared.



PATTERSON-UTI

Well Control

RIG: 295



Made by Cameron
(Shaffer Spherical)
Clone Annular

PATTERSON-UTI # PS2-628
STYLE: New Shaffer Spherical
BORE 13 5/8" PRESSURE 5,000
HEIGHT: 48 1/2" WEIGHT: 13,800 lbs

PATTERSON-UTI # PC2-128
STYLE: New Cameron Type U
BORE 13 5/8" PRESSURE 10,000
RAMS: TOP 5" Pipe BTM Blinds
HEIGHT: 66 5/8" WEIGHT: 24,000 lbs

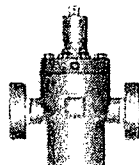
Length 40" Outlets 4" 10M
DSA 4" 10M x 2" 10M

PATTERSON-UTI # PC2-228
STYLE: New Cameron Type U
BORE 13 5/8" PRESSURE 10,000
RAMS: 5" Pipe
HEIGHT: 41 5/8" WEIGHT: 13,000 lbs

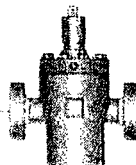
WING VALVES



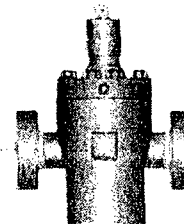
2" Check Valve



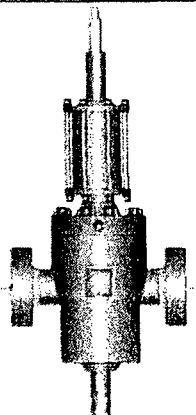
2" Manual Valve



2" Manual Valve



4" Manual Valve

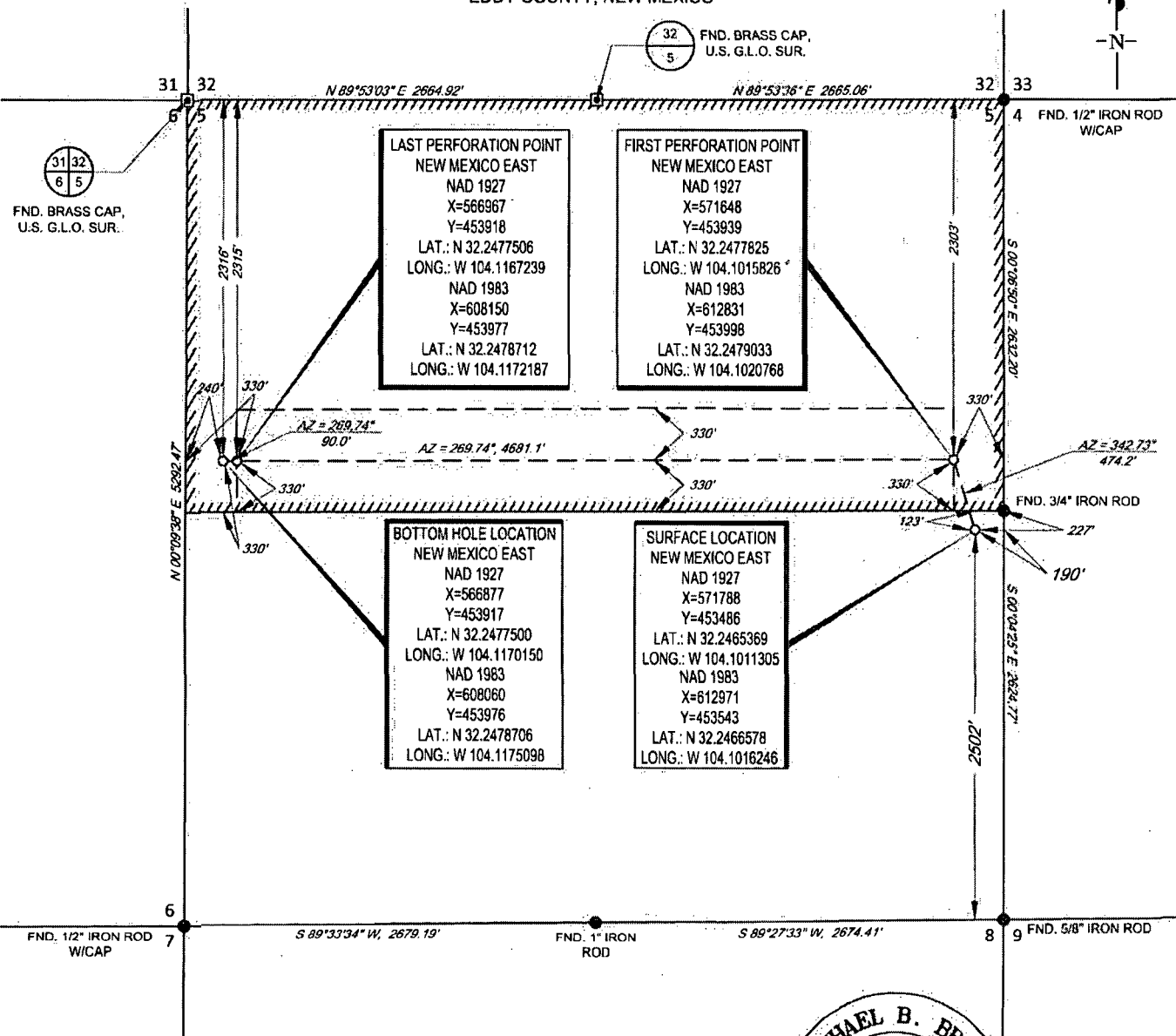


4" Hydraulic Valve

SCALE: 1" = 1000'
0' 500' 1000'

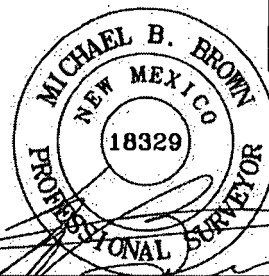


SECTION 5, TOWNSHIP 24-S, RANGE 28-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



LEASE NAME & WELL NO.: JIMMY KONE 05-24S-28E RB #226H
SECTION #5 TWP 24-S RGE 28-E SURVEY N.M.P.M.
COUNTY EDDY STATE NM
DESCRIPTION 2502' FSL & 190' FWL

DISTANCE & DIRECTION
FROM INT. OF W. OGDEN RD., & HIGBY HOLE RD., GO NORTH ON HIGBY
HOLE RD. ±0.5 MILES TO A POINT ±180 FEET EAST OF THE LOCATION.



Michael Blake Brown, P.S. No. 18329
SEPTEMBER 23, 2016



TOPOGRAPHIC
LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140
TELEPHONE: (817) 744-7512 • FAX (817) 744-7543
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1853 OR (800) 767-1853 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET. THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.
AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.