

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88001
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
MEWBOURNE OIL CONSERVATION
ARTESIA DISTRICT OFFICE
JUN 27 2018

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 12-15-17

Original
 Amended - Reason for Amendment: _____

Operator & OGRID No.: Mewbourne Oil Company - 14744

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: 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

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
PRINCE 31 W2DA FED COM #2H		D-31-24S-29E	850 FNL & 330 FEL	0	NA	ONLINE AFTER FRAC
	<u>30-015-45069</u>					

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 Crestwood and will be connected to Crestwood low/high pressure gathering system located in EDDY County, New Mexico. It will require 800 ' of pipeline to connect the facility to low/high pressure gathering system. Mewbourne Oil Company provides (periodically) to Crestwood 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 Crestwood have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Crestwood Processing Plant located in Sec. 29, Twn. 24S, Rng. 28E, Eddy 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 Crestwood 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).

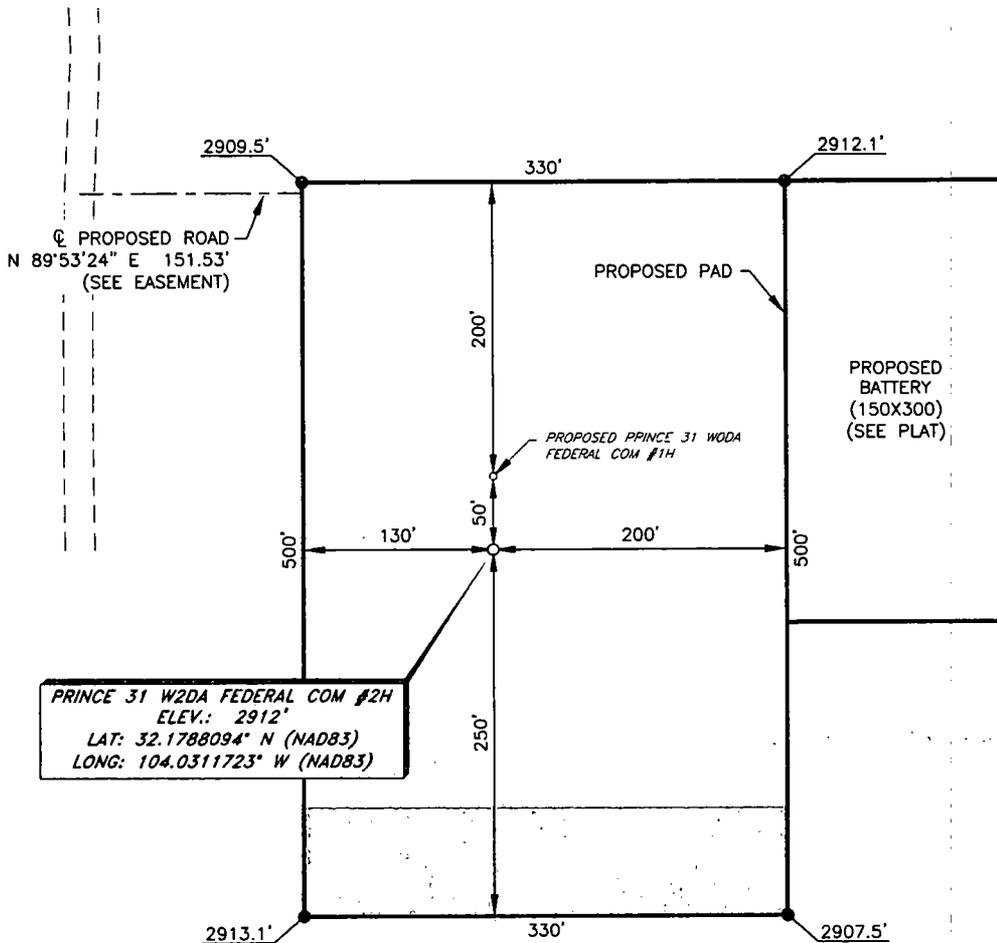
Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

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
 - 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

**MEWBOURNE OIL COMPANY
PRINCE 31 W2DA FEDERAL COM #2H
(850' FNL & 330' FWL)
SECTION 31, T24S, R29E
N. M. P. M., EDDY COUNTY, NEW MEXICO**



PRINCE 31 W2DA FEDERAL COM #2H
ELEV.: 2912'
LAT: 32.1788094° N (NAD83)
LONG: 104.0311723° W (NAD83)

DIRECTIONS TO LOCATION

*From the intersection of Hwy 285 (Pecos Hwy) and CR-721 (Pulley Rd.),
Go East on CR-721 approx. 1.2 miles to a lease road on the right;
Turn right and go Southeast approx. 1.0 miles, where road curves south;
Continue South on lease road approx. 0.6 miles to proposed road on the left;
Turn left and go East approx. 180 feet to location on the right.*

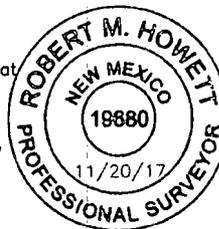


SCALE: 1" = 100'
0 50' 100'

BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this unclassified survey of a well location from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett
Robert M. Howett NM PS 19680



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	NAME CHANGE	12.12.17
NO.	REVISION	DATE
JOB NO.: LS1709652		
DWG. NO.: 1709652PAD		

RRC

3CB W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 100'
DATE: 11-10-2017
SURVEYED BY: ML/TF
DRAWN BY: AIAC
APPROVED BY: RMH
SHEET : 1 OF 1