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 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Submit Original MAY 2 2 2015 Appropriate

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

DISTRICT II-ARTESIA O.C.D.

GAS CAPTURE PLAN
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Date: 4-13-18	<del></del>						
	Original Operator & OGRID No.: Mewbourne Oil Company - 14744						
☐ Amended - Reason f	for Amendme	nt:				M - 4400 - 3400M - 10 - 10 - 10 - 10 - 10 - 10 - 10 -	
This Gas Capture Plan new completion (new do Note: Form C-129 must be	rill, recomplet	te to new zone, re-fra	ac) activity.		-	n facility flaring/venting for A of 19.15.18.12 NMAC).	
Well(s)/Production Fa	•		are shown in	the table be	low		
Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments	
PAVO FRIO 29/28 B2JI FED COM	1#1H	J - 29-18S-29E	1980 FSL & 2385 FEI	0	NA	ONLINE AFTER FRAC	
Gathering System and				. •	1		
Well(s) will be connecte place. The gas produc	•	•	-		omplete, if	gas transporter system is ir _ and will be connected to	

in low/high pressure gathering system located in EDDY County, New Mexico. It will require ' of pipeline to connect the facility to low/high pressure gathering system. Mewbourne Oil Company provides (periodically) to Western 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 Western conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Processing Plant located in Sec. 36 , Blk. 58 T1S ,Culberson County, Texas. The actual flow Western 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 Western 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