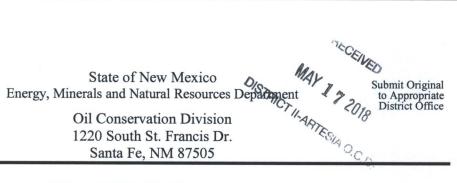
District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505



## GAS CAPTURE PLAN

Date: 05-15-18		GIB CI	d TORE IL			
☑ Original ☑ Amended - Reason for	r Amendment:			No.: <u>Mewbo</u>	urne Oil Con	npany - 14744
This Gas Capture Plan or new completion (new dril				o reduce we	ell/production	facility flaring/venting for
Note: Form C-129 must be st	ubmitted and app	proved prior to excee	eding 60 days a	allowed by Rul	le (Subsection A	4 of 19.15.18.12 NMAC).
Well(s)/Production Faci	lity – Name of	f facility				
The well(s) that will be low	API	Well Location	Footages	Expected	Flared or	Comments
SKYNYRD 2 WOCN	30-015	(ULSTR)		MCF/D	Vented	
Fee #2H / H	44801	C 2-24S-28E	175' FNL 1340' FWL		27.7	0-1
SKYNYRD 2 WODM FEE #2H		D 2-24S-28E	175' FNL & 1310' FW	L 0	NA NA	Online after frac
and the second second						
<b>Gathering System and P</b>						
Well(s) will be connected	to a production	on facility after flo	owback oper	rations are c	omplete, if g	gas transporter system is in
place. The gas produced	from produc	tion facility is de	edicated to _	Crestw	ood	and will be connected to
100 ' of pipeline to	connect the fa	gamering system	n located in	thering evet	ounty, New	Mexico. It will require urne Oil Company provides
						or wells that are scheduled to
						d have periodic
conference calls to discus	ss changes to	drilling and com	pletion sche	dules. Gas	from these	wells will be processed at
Crestwood	_ Processing I	Plant located in Se	c. 29 , Tw	n. 245, Rng	3. 28E, Edd	dy County, New Mexico.
The actual flow of the gas v	will be based or	compression oper	rating parame	ters and gathe	ering system p	pressures.
Flowback Strategy						
	nt/completion	operations, well(s)	) will be prod	duced to tem	porary produ	action tanks and gas will be
						luced fluids contain minimal
sand, the wells will be tur	ned to product	ion facilities. Gas	s sales should	d start as soo	on as the wel	lls start flowing through the
production facilities, unless	there are oper	ational issues on _	Crestwood	_ system at t	that time. Bas	ed on current information, it

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.

is Operator's belief the system can take this gas upon completion of the well(s).

- Power Generation On lease
  - o 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