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State of New MexiEEB 27 2020 Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

GAS CAPTURE PLAN

| X Original | Operator & OGRID No.: Matador Production Company (228937) |
|-----------------------|---|
| □ Amended | Date: 4/23/19 |
| 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, recomplete 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 wells 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 | Comments | |
|---------------|---------|-----|-----------------------|--|--------------------|--------------|------------------|---|
| Boros 023H | Federal | # | N/A | UL-BĐ Sec 33 15 &22 T <u>2</u> 6 24 S .R31 2827 E | ### FNL ### FEL | +/- 400 | <u>~</u> 30 days | Flare \simeq 14-30 days on fFlowback before turn into TB. Time est. depends on sales connect |
| Boros 103H | Federal | # | N/A | UL-B D Sec 33 15 &22 T <u>2</u> 6 24 S R31 2827 E | ### FNL ### FEL | +/- 3,000 | <u>~</u> 30 days | Flare $\sim 14-30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup. |
| Boros 107H | Federal | # | N/A | UL-B D Sec 33 15 &22 T <u>2</u> 6 24 S R31 2827 E | ### FNL ### FEL | +/- 3,000 | ≃30 days | Flare $\sim 14-30$ days on fFlowback before turn into TB. Time est. depends on sales connect and well cleanup |
| Boros 113H | Federal | # | N/A | UL-BÐ Sec 33 15 &22 T <u>2</u> 6 24 S R31 2827 E | ### FNL ### FEL | +/- 2,500 | <u>~</u> 30 days | Flare $\sim 14-30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup |
| Boros 123H | Federal | # | N/A | UL-B D Sec 33 15 &22 T <u>2</u> 6 24 S R31 2827 E | ### FNL ### FEL | +/- 2,500 | <u>~</u> 30 days | Flare <u>~14-</u> 30 days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup |

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|---------------|-----------------|---------|--------------|----------------|--------------------|---|------------|--------------------|--|
| Boros 133H | Federal | # | N/A | Sec &22 | ### FNL ### FEL | | +/- 6,000 | - <u>~</u> 30 days | Flare $\sim 14=30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup |
| Boros 203H | Federal | # | N/A | Sec &22 | ### FNI ### FEL | 3 | +/- 6,000 | <u>~</u> 30 days | Flare $\geq 14=30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup. |
| Boros 217H | Federal | # | N/A | Sec &22 | ### FNI ### FEL | 1 | +/- 6,500 | <u>~</u> 30 days | Flare <u>~14-</u> 30 days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup. |
| Boros 223H | Federal | # | N/A | Sec &22 | ### FNL ### FEL | | +/- 5,900 | <u>~</u> 30 days | Flare $\sim 14-30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup. |
| Boros 227H | Federal $30-01$ | # 5~ | N/A 46798 | Sec &22 | ### FNL ### FEL | | +/- 5,900 | <u>~</u> 30 days | Flare $\geq 14=30$ days on <u>f</u> Flowback before turn into TB. Time est. depends on sales connect and well cleanup. |
| Boros 243H | Federal | # | N/A | Sec &22 | ### FNI ### FEL | | +/- 10,000 | <u>~</u> 30 days | Flare $_14-30$ days on fFlowback before turn into TB. Time est. depends on sales connect and well cleanup. |

Gathering System and Pipeline Notification

The wells 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 Lucid Energy Delaware, LLC gathering system. It will require ~5,000' of pipeline to connect the facility to Lucid Energy Delaware, LLC 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 Lucid Energy Delaware, LLC. If changes occur that will affect the drilling and completion schedule, Matador Production Company will notify Lucid Energy 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 <u>(flowback)</u>, the well(s) 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. When If the produced fluids contain minimal sand, then the wells will be turned to production facilities. The gGas sales should start as soon as the wells starts flowing through the production facilities, unless there are operational issues on the midstream <u>Longwood</u> <u>Midstream Delaware</u>, <u>LLC's</u> system at that time. Based on current information, it is **Matador's** belief the system can will be <u>able to</u> take theis 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.