

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

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

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
B Banker 33-23S-28E RB 201H	N/A <i>30-015- 44138</i>	UL-A Sec 33 T23S R28E	801'North 384'East	+/- 2500	~21 days	Flare ~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 ~1000' 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

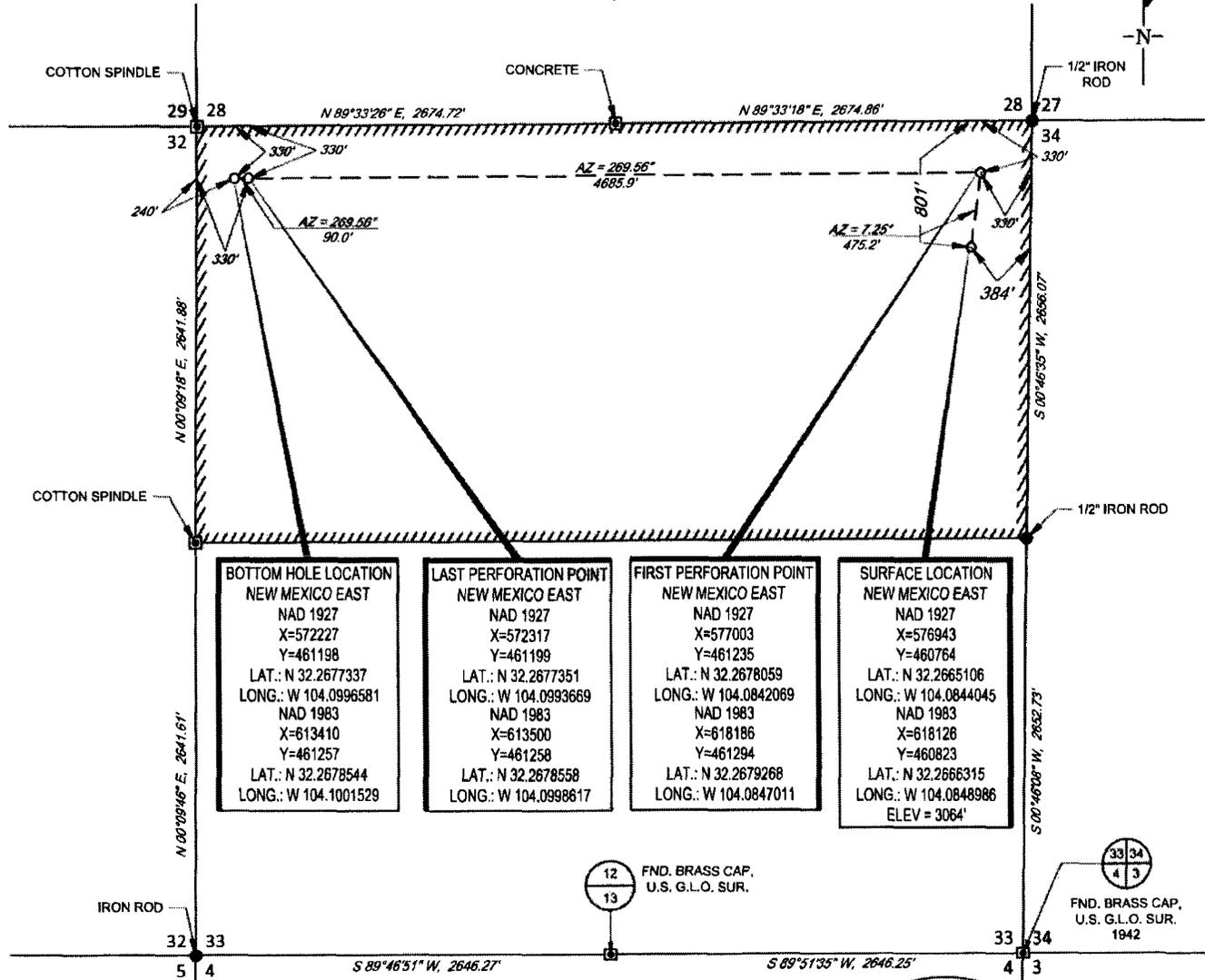
RP 4-18-11

- 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.

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



SECTION 33, TOWNSHIP 23-S, RANGE 28-E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO



BOTTOM HOLE LOCATION	
NEW MEXICO EAST	
NAD 1927	X=572227
	Y=461198
LAT.: N 32.2677337	
LONG.: W 104.0996581	
NAD 1983	X=613410
	Y=461257
LAT.: N 32.2678544	
LONG.: W 104.1001529	

LAST PERFORATION POINT	
NEW MEXICO EAST	
NAD 1927	X=572317
	Y=461199
LAT.: N 32.2677351	
LONG.: W 104.0993669	
NAD 1983	X=613500
	Y=461258
LAT.: N 32.2678558	
LONG.: W 104.0998617	

FIRST PERFORATION POINT	
NEW MEXICO EAST	
NAD 1927	X=577003
	Y=461235
LAT.: N 32.2678059	
LONG.: W 104.0842069	
NAD 1983	X=618186
	Y=461294
LAT.: N 32.2679268	
LONG.: W 104.0847011	

SURFACE LOCATION	
NEW MEXICO EAST	
NAD 1927	X=576943
	Y=460764
LAT.: N 32.2665106	
LONG.: W 104.0844045	
NAD 1983	X=618128
	Y=460823
LAT.: N 32.2666315	
LONG.: W 104.0848986	
ELEV = 3064'	

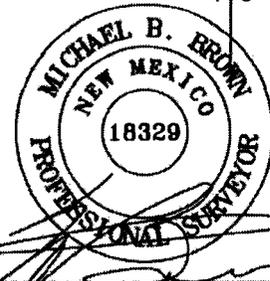
12 FND. BRASS CAP.
 13 U.S. G.L.O. SUR.

33 34
 4 3
 FND. BRASS CAP.
 U.S. G.L.O. SUR.
 1942

LEASE NAME & WELL NO.: B BANKER 33-23S-28E RB #201H
 SECTION 33 TWP 23-S RGE 28-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM
 DESCRIPTION 801' FNL & 384' FEL

DISTANCE & DIRECTION
FROM INT. OF US-285 & NM-387/7TH ST. GO EAST ON NM-387/7TH ST. ±0.3 MILES, THENCE SOUTH (RIGHT) ON 4TH ST. ±0.2 MILES, THENCE EAST (LEFT) ON 2ND ST. ±0.2 MILES, THENCE SOUTHEAST (RIGHT) ON ONSUREZ RD. ±1.5 MILES, THENCE WEST (RIGHT) ON A PROPOSED RD. ±1154 TO A POINT ±400 FEET SOUTHEAST OF THE LOCATION.

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.



Michael Blake Brown, P.S. No. 18329
 NOVEMBER 01, 2016

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 RUP. 4-18-17