

DISTRICT I  
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DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone (505) 748-1283 Fax: (505) 748-9720

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-6178 Fax: (505) 334-8170

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 478-3480 Fax: (505) 478-3482

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised August 4, 2011

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

OCD - HOBBS  
11/18/2020  
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-48008</b>	Pool Code <b>97895</b>	Pool Name <b>WC-025 G-08 S213304D;BONE SPRING</b>
Property Code <b>328246</b>	Property Name <b>MARGARITA FEDERAL COM 13</b>	Well Number <b>9H</b>
OGRID No. <b>372417</b>	Operator Name <b>Advance Energy Partners Hat Mesa, LLC</b>	Elevation <b>3917'</b>

Surface Location

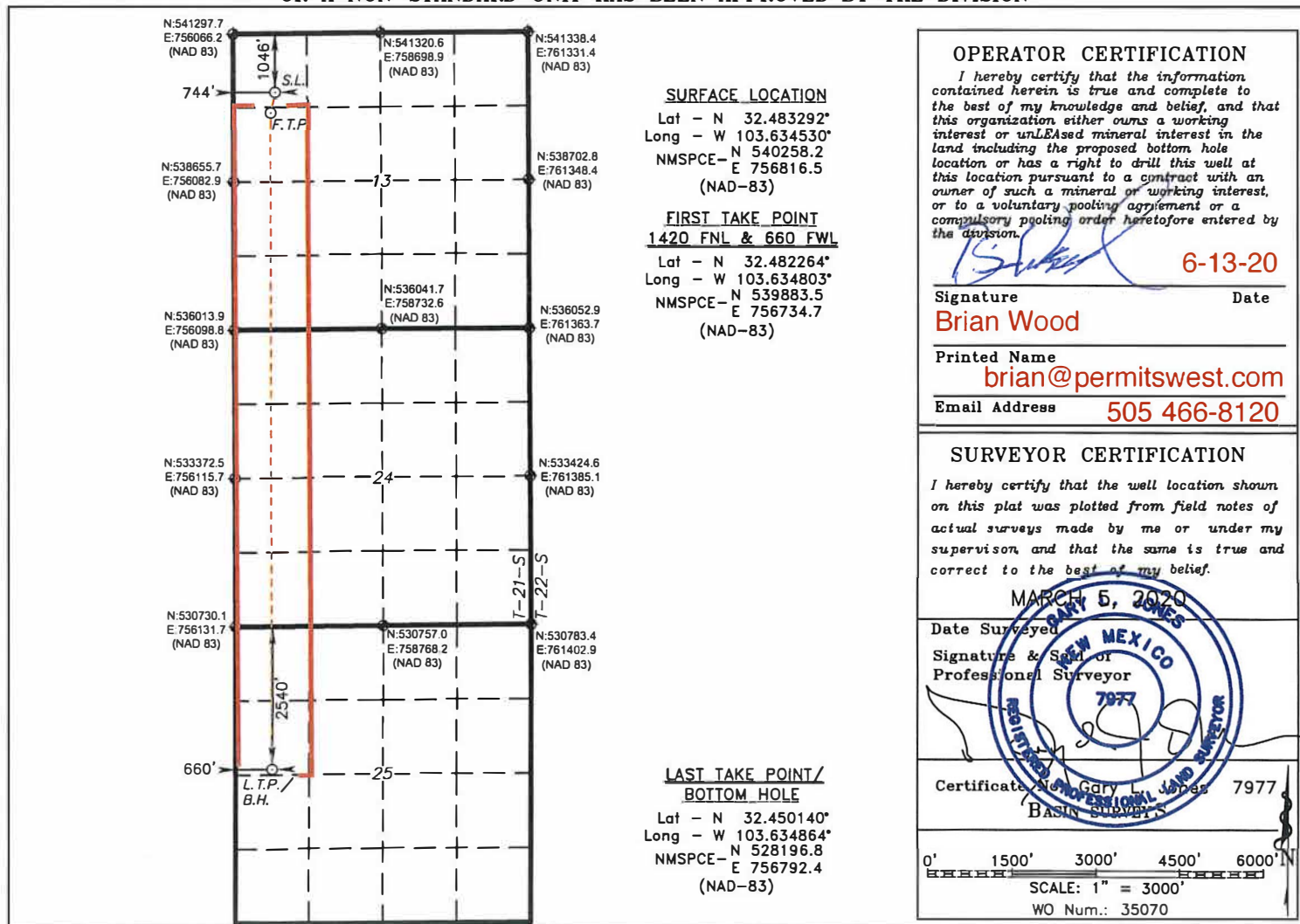
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	13	21 S	32 E		1046	NORTH	744	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
E	25	21 S	32 E		2540	NORTH	660	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
<b>360.00</b>		<b>C</b>	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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Oil Conservation Division  
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Santa Fe, NM 87505

Submit Original  
to Appropriate  
District Office

### GAS CAPTURE PLAN

Date: 6-13-20

X Original

Operator & OGRID No.: Advance Energy Partners Hat Mesa, LLC (372417)

☐ Amended - Reason for Amendment: \_\_\_\_\_

This Gas Capture Plan outlines actions to be taken by the Advance Energy Partners Hat Mesa, LLC 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	SHL (ULSTR)	SHL Footages	Expected MCF/D	Flared or Vented	Comments
Margarita Federal Com 13 1H	30-025-47195	D-13-21s-32e	1046' FNL & 645' FWL	500	≈30 days	flare until well clean, then connect
Margarita Federal Com 13 2H	30-025-47196	D-13-21s-32e	1046' FNL & 675' FWL	500	≈30 days	flare until well clean, then connect
Margarita Federal Com 13 9H	30-025-	D-13-21s-32e	1046' FNL & 744' FWL	500	≈30 days	flare until well clean, then connect
Margarita Federal Com 13 13H	30-025-	D-13-21s-32e	1046' FNL & 645' FWL	500	≈30 days	flare until well clean, then connect
Margarita Federal Com 13 17H	30-025-	D-13-21s-32e	1046' FNL & 777' FWL	500	≈30 days	flare until well clean, then connect
Margarita Federal Com 13 21H	30-025-	D-13-21s-32e	1046' FNL & 711' FWL	500	≈30 days	flare until well clean, then connect

#### Gathering System and Pipeline Notification

Well will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. Gas produced from this production facility has not yet been dedicated. One possible outlet is DCP. DCP has an existing pipeline ≈250 yards southeast and connects an Advance well ¼ mile east. Advance Energy Partners Hat Mesa, LLC will provide (periodically) to DCP or other transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Advance Energy Partners Hat Mesa, LLC and DCP or other transporter will have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at a DCP or other transporter processing plant at an as yet undetermined location. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

#### Flowback Strategy

After fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, fluids and sand content will be monitored. When 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 DCP or other transporter system at that time. Based on current information, it is Advance Energy Partners Hat Mesa, LLC 's belief the system ultimately can take this gas upon completion of the well.

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