

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

Date: 6/26/2017

X Original

Operator & OGRID No.: Matador Production Company (228937)

Amended - 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
Verna Rae 6 Fed Com #133	N/A	B- 06-20S-34E		1200	12 days	Flare 12 days on FB before turn into TB
Verna Rae 6 Fed Com #134	N/A	B- 06-20S-34E		1200	12 days	Flare 12 days on FB before turn into TB
Verna Rae 6 Fed Com #204	N/A	B- 06-20S-34E		1400	14 days	Flare 14 days on FB before turn into TB
Verna Rae 6 Fed Com #114	N/A	A- 06-20S-34E <i>30-025-44340</i>		1000	12 days	Flare 12 days on FB before turn into TB
Verna Rae 6 Fed Com #124	N/A	A- 06-20S-34E		1200	14 days	Flare 14 days on FB before turn into TB
Verna Rae 6 Fed Com #113	N/A	B- 06-20S-34E		1000	12 days	Flare 12 days on FB before turn into TB
Verna Rae 6 Fed Com #203	N/A	B- 06-20S-34E		1400	14 days	Flare 14 days on FB before turn into TB
Verna Rae 6 Fed Com #123	N/A	B- 06-20S-34E		1200	14 days	Flare 14 days on FB before turn into TB

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 at least one of three possible gas gathering systems located in Lea County, New Mexico. It will require ~2,000' of pipeline to connect the facility to the Versado gathering system. It will require ~500' of pipeline to connect the facility to the DCP midstream gathering system. It will require ~1,000' of pipeline to connect the facility to the 3Bear 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 the three different gathering companies. If changes occur that will affect the drilling and completion schedule, Matador Production Company will notify the three gathering companies if the gas produced from the well will be processed at a processing plant further downstream and, although unanticipated, any issues with

Approval Date: 12/21/2017

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.