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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

Submit Original  
to Appropriate  
District Office

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBS OCD  
NOV 07 2018  
RECEIVED

**GAS CAPTURE PLAN**

Date: 07/30/2018

Original

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
Zeppo Federal Com #17H	30-025- <i>45338</i>	UL-H Sec05, T17S, R32E	2300 FNL 1090 FEL	589	0	

**Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to **Frontier Field Services** and will be connected to **Frontier's** low/high pressure gathering system located in **Eddy** County, New Mexico. It will require **less than 0.25 mile of new pipeline** to connect the facility to low/high pressure gathering system. COG Operating, LLC provides (periodically) to **Frontier** a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, COG Operating, LLC and **Frontier** have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at **Frontier's Maljamar** Processing Plant located in **Sec. 28, T17S, R32E in Lea** County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

**Flowback Strategy**

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the 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 **Frontier's** system at that time. Based on current information, it is COG Operating, LLC belief the system can take this 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.

**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

## Production Cement Breakdown

Well: Zeppo 5 Federal Com #17H

Hole Volumes						
Hole	Hole Section (Length)	Casing	Capacity (ft <sup>3</sup> /Lin.ft)	Cu.Ft	Total Cu.Ft	% Excess
Prod	0-2220 (2220)	7"	0.1585	351.9	351.9	0
Prod	2220-5226 (3006)	7"	0.1503	451.8	451.8	121%
Prod						
Prod						

Cement Volumes					
Blend	Cement Sacks	Yield	Weight	Volume	Total Volume
35:65:6	400	2.01	12.5	804	1352
50:50:02	400	1.37	14	548	

% Excess Calculation			
Total Volume	1352		1000.1
Cu.Ft	-351.9		/451.8
	1000.1		<b>121% Excess</b>

**7" to be run from surface to kickoff point and changed over to 5 ½" with DV Tool and ECP at kickoff point. 5 ½" casing will be run from kickoff point to td and isolation packers set throughout curve and lateral. 7" to be cemented from kickoff point to surface.**