



# Innovation and Environmental Stewardship

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*A Performance-Based Approach to Methane Regulation*

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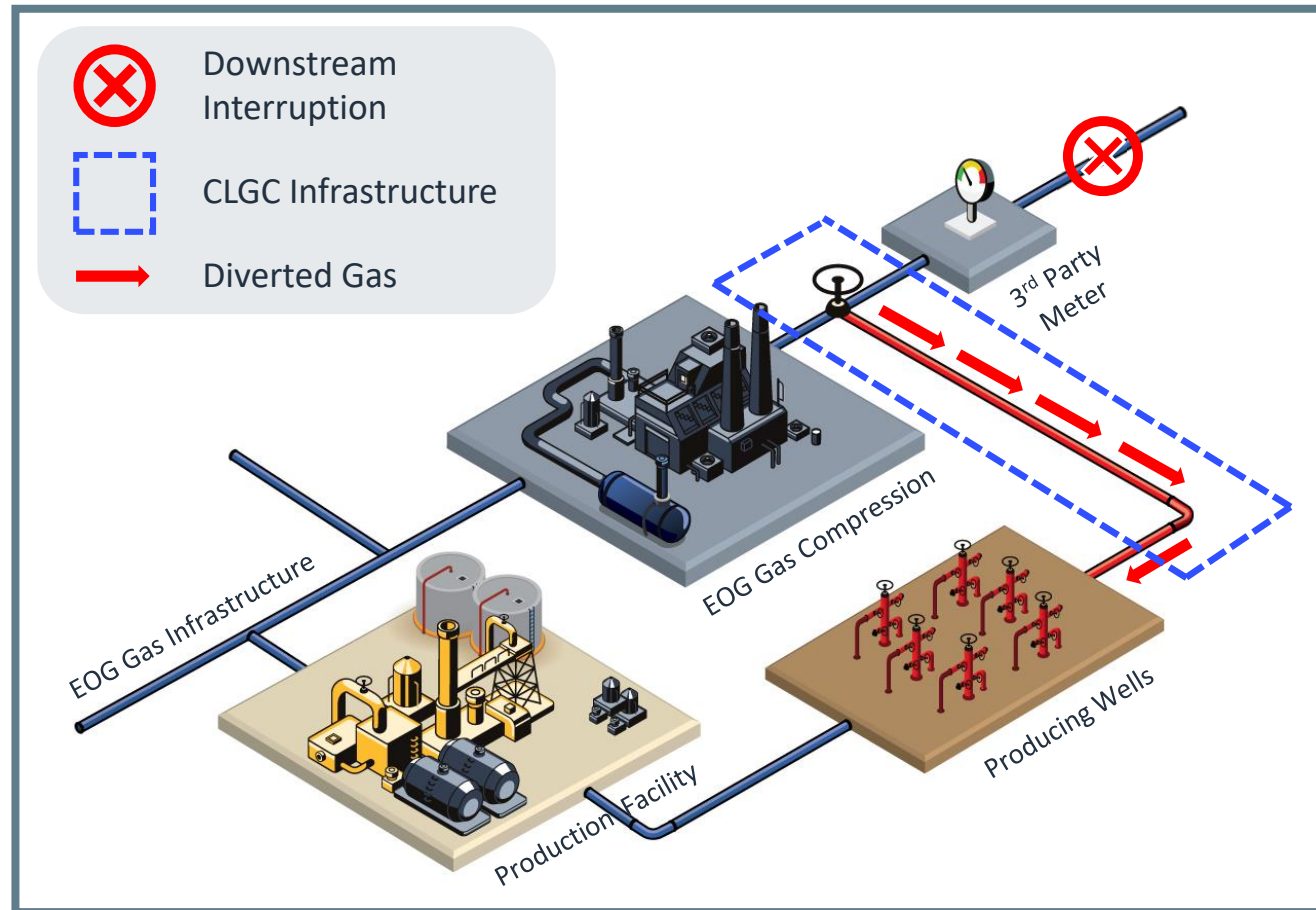
# Draft Methane Rules Overview

- **Collaborative, Pre-Draft Agency Approach**
- **Intended to Avoid Ozone Non-Attainment**
- **98% Capture Target**
- **Prescriptive vs Performance-Based Standards**
- **Room for Innovation?**



# Tackling GHG Emissions with Innovation – Flaring Reduction

## Closed-Loop Gas Capture (CLGC) Pilot



### Project Scope:

- Automated Flow Control to “Close Loop” Between Compression Station and Producing Wells

### Targeted Impact:

- Reduce Flaring and GHG Emissions Resulting from Downstream Interruptions by Temporarily Diverting and Reinjecting Gas into Existing Wells
- Revenue Uplift from Recovery of Natural Gas Volumes that Would Have Otherwise Been Flared

# Tackling GHG Emissions with Innovation – Stationary Combustion

## Solar-Powered Compression in the Delaware Basin



Solar Field



Solar/Natural Gas Hybrid Compression

**Online August 2020**

### **Project Scope:**

- Power Electric Drive Compression with Solar/Natural Gas Hybrid Power Generation
- 8 MW Solar Field on 70 Acres in SE NM

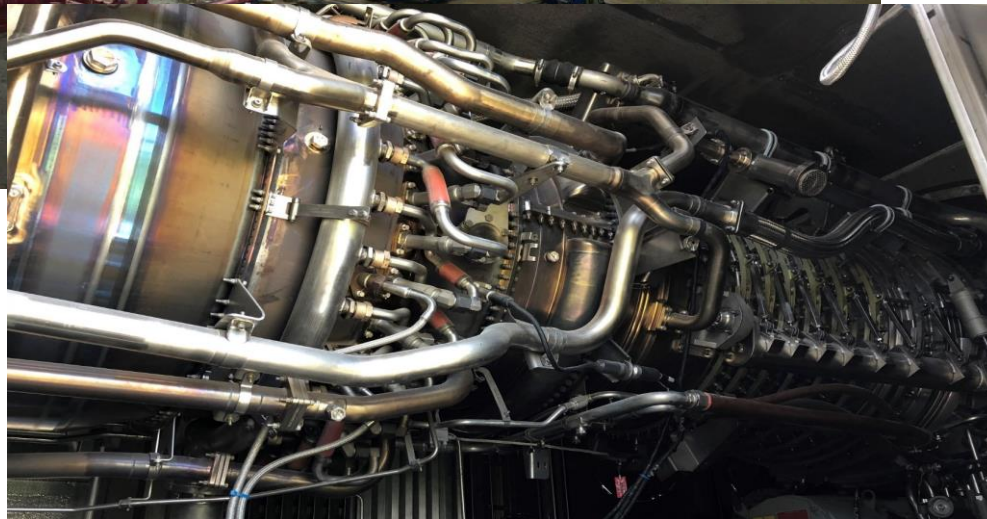
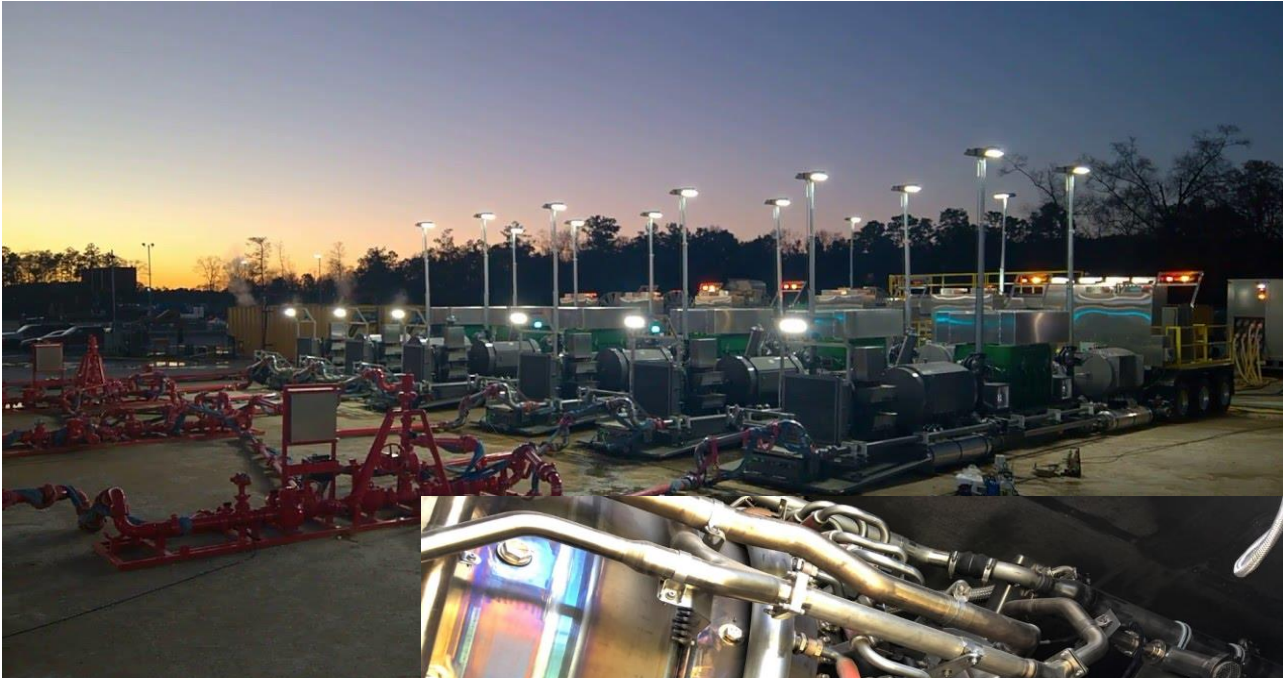
### **Targeted Impact:**

- Operating Expense and GHG Emissions Reductions

**EOG's Sustainable Power Group Focused on Positive-Return Emissions Reduction Projects**

# Tackling GHG Emissions with Innovation – Electric Frac

## Natural Gas-Powered Hydraulic Fracturing in New Mexico



### Advantages:

- Smaller footprint
- Utilizes field gas for power generation
- No fuel deliveries
- Less truck traffic
- 87.5% noise reduction

# Water Conservation Through Innovation – Water Reuse Systems

Significant Reductions for Fresh Water Demand in New Mexico



## Considerations:

- Incentivized via NM's Produced Water Act
- Regulated by 19.15.34 NMAC
- Significant pre-existing investments
- Delivery infrastructure minimizes truck traffic

# Beyond Infrastructure....



## Map-based asset tracker

- Enables real-time analytics, future planning and historical reporting for water management

## Benefits:

- Efficiently manages water costs
- Mitigates water take-away bottlenecks
- Increases operating flexibility
- Improves leak detection

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# A Continued Commitment to New Mexico....



- **Sustainable Development**
- **Continuous Improvement**
- **Stakeholder Engagement**
- **Environmental Stewardship**

