July 18, 2022

FESCO, Ltd. 1100 Fesco Ave. - Alice, Texas 78332

For: US Energy Development Corp. 1521 N. Cooper Street, Suite 400 Arlington, Texas 76011

Sample: Texaco 14 Fed No. 1

Heater Treater

Spot Gas Sample @ 28 psig & 85 °F

Date Sampled: 07/14/2022 Job Number: 222565.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	0.004	
Nitrogen	2.952	
Carbon Dioxide	2.085	
Methane	67.852	
Ethane	13.101	3.591
Propane	7.205	2.034
Isobutane	0.868	0.291
n-Butane	2.517	0.813
2-2 Dimethylpropane	0.000	0.000
Isopentane	0.689	0.258
n-Pentane	0.784	0.291
Hexanes	0.604	0.255
Heptanes Plus	<u>1.339</u>	<u>0.528</u>
Totals	100.000	8.061

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity	3.266	(Air=1)
Molecular Weight	94.15	
Gross Heating Value	5003	BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity	0.852	(Air=1)
Compressibility (Z)	0.9951	
Molecular Weight	24.56	
Gross Heating Value		
Dry Basis	1399	BTU/CF
Saturated Basis	1376	BTU/CF

^{*}Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)

Results: 2.264 Gr/100 CF, 36.0 PPMV or 0.004 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) D. Field Analyst: RG Processor: AS Cylinder ID: T-4582 Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

Page 1 of 3

FESCO, Ltd. Job Number: 222565.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286 TOTAL REPORT

COMPONENT	MOL %	GPM		WT %
Hydrogen Sulfide*	0.004			0.006
Nitrogen	2.952			3.367
Carbon Dioxide	2.085			3.736
Methane	67.852			44.323
Ethane	13.101	3.591		16.040
Propane	7.205	2.034		12.937
Isobutane	0.868	0.291		2.054
n-Butane	2.517	0.813		5.957
2,2 Dimethylpropane	0.000	0.000		0.000
Isopentane	0.689	0.258		2.024
n-Pentane	0.784	0.291		2.303
2,2 Dimethylbutane	0.004	0.002		0.014
Cyclopentane	0.000	0.000		0.000
2,3 Dimethylbutane	0.086	0.036		0.302
2 Methylpentane	0.178	0.076		0.625
3 Methylpentane	0.111	0.046		0.389
n-Hexane	0.225	0.095		0.790
Methylcyclopentane	0.162	0.059		0.555
Benzene	0.196	0.056		0.623
Cyclohexane	0.200	0.070		0.685
2-Methylhexane	0.030	0.014		0.122
3-Methylhexane	0.041	0.019		0.167
2,2,4 Trimethylpentane	0.000	0.000		0.000
Other C7's	0.119	0.053		0.481
n-Heptane	0.076	0.036		0.310
Methylcyclohexane	0.133	0.055		0.532
Toluene	0.146	0.050		0.548
Other C8's	0.122	0.058		0.548
n-Octane	0.022	0.012		0.102
Ethylbenzene	0.002	0.001		0.009
M & P Xylenes	0.015	0.006		0.065
O-Xylene	0.004	0.002		0.017
Other C9's	0.061 0.006	0.032		0.314 0.031
n-Nonane Other C10's	0.006	0.003 0.001		0.006
		0.001		
n-Decane	0.002			0.012
Undecanes (11) Totals	<u>0.001</u>	<u>0.001</u>		0.006
Totals	100.000	8.061		100.000
Computed Real Charact	eristics of Total Sample			
Specific Gravity		0.852	(Air=1)	
		0.9951		
Molecular Weight		24.56		
Gross Heating Value				
Dry Basis		1399	BTU/CF	
Saturated Basis		1376	BTU/CF	

Page 2 of 3

July 18, 2022

FESCO, Ltd. 1100 Fesco Ave. - Alice, Texas 78332

Sample: Texaco 14 Fed No. 1 Heater Treater

Spot Gas Sample @ 28 psig & 85 °F

Date Sampled: 07/14/2022 Job Number: 222565.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	2.085		3.736
Hydrogen Sulfide	0.004		0.006
Nitrogen	2.952		3.367
Methane	67.852		44.323
Ethane	13.101	3.591	16.040
Propane	7.205	2.034	12.937
Isobutane	0.868	0.291	2.054
n-Butane	2.517	0.813	5.957
Isopentane	0.689	0.258	2.024
n-Pentane	0.784	0.291	2.303
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.225	0.095	0.790
Cyclohexane	0.200	0.070	0.685
Other C6's	0.379	0.160	1.330
Heptanes	0.428	0.181	1.635
Methylcyclohexane	0.133	0.055	0.532
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.196	0.056	0.623
Toluene	0.146	0.050	0.548
Ethylbenzene	0.002	0.001	0.009
Xylenes	0.019	0.008	0.082
Octanes Plus	<u>0.215</u>	<u>0.107</u>	<u>1.019</u>
Totals	100.000	8.061	100.000

Specific Gravity	4.036	(Air=1)
Molecular Weight	116.33	
Gross Heating Value	6086	BTU/CF

Real Characteristics Of Total Sample:

tour oriar actoriction or rotar campion		
Specific Gravity	0.852	(Air=1)
Compressibility (Z)	0.9951	
Molecular Weight	24.56	
Gross Heating Value		
Dry Basis	1399	BTU/CF
Saturated Basis	1376	BTU/CF

Page 3 of 3

TEXACO 14 FEDERAL FLARE METER: 305

9/12/2022

36

Daily

Released to Imaging: 10/4/2022 2:13:03 PM

Date	(Gas Flowed	Hours Flowed	Comments
	9/27/2022	14.5	12:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/26/2022	38.5	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/25/2022	38.9	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/24/2022	39.2	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/23/2022	34.1	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/22/2022	38.8	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/21/2022	39.1	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/20/2022	39.2	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/19/2022	41.3	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/18/2022	38.3	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/17/2022	38.3	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/16/2022	38.7	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/15/2022	40.2	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/14/2022	37.2	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia
	9/13/2022	37.1	24:00:00	Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia

23:30:00 Flared gas due to high gas sales static pressure of 50 psia. Norm is 38-40 psia

Received by OCD: 10/4/2022 2:08:57 PM

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

DEFINITIONS

Action 148681

DEFINITIONS

Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	148681
	Action Type:
	[C-129] Amend Venting and/or Flaring (C-129A)

DEFINITIONS

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application:

- this application's operator, hereinafter "this operator";
- · venting and/or flaring, hereinafter "vent or flare";
- any notification or report(s) of the C-129 form family, hereinafter "any C-129 forms";
- the statements in (and/or attached to) this, hereinafter "the statements in this";
- and the past tense will be used in lieu of mixed past/present tense questions and statements.

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District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 148681

Q	UESTIONS	
Operator:		OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION 1521 N. Cooper St.		372759 Action Number:
Arlington, TX 76011		148681
	Action Type: [C-129] Amend Venting and/or Flaring (C-129A)	
QUESTIONS		
Prerequisites		
Any messages presented in this section, will prevent submission of this application. Please resolve	these issues before conti	nuing with the rest of the questions.
Incident Operator	[372759] U.S. ENER	GY DEVELOPMENT CORPORATION
Incident Type	Vent	
Incident Status	Closure Approved	
Incident Well	[30-025-29378] TEX	(ACO 14 FEDERAL #001
Incident Facility	Not answered.	
Only valid Vent, Flare or Vent with Flaring incidents (selected above in the Application Details section	on) that are assigned to y	our current operator can be amended with this C-129A application.
Determination of Reporting Requirements		
Answer all questions that apply. The Reason(s) statements are calculated based on your answers at	nd may provide addional d	zwidence.
Was this vent or flare caused by an emergency or malfunction	Yes	guance.
Did this vent or flare last eight hours or more cumulatively within any 24-hour period from a single event	Yes	
Is this considered a submission for a vent or flare event	Yes, answer to "eig	ght hours or more" suggests this is at least a minor event.
An operator shall file a form C-141 instead of a form C-129 for a release that, includes liquid during v	enting and/or flaring that i	is or may be a major or minor release under 19 15 29 7 NMAC
Was there at least 50 MCF of natural gas vented and/or flared during this event	No	o o may so o mayor or minor rotated and or rot. to 25.1. minor o.
Did this vent or flare result in the release of ANY liquids (not fully and/or completely		
flared) that reached (or has a chance of reaching) the ground, a surface, a	No	
watercourse, or otherwise, with reasonable probability, endanger public health, the environment or fresh water		
Was the vent or flare within an incorporated municipal boundary or withing 300 feet		
from an occupied permanent residence, school, hospital, institution or church in		
existence		
Equipment Involved		
	1	
Primary Equipment Involved	Not answered.	
Additional details for Equipment Involved. Please specify	Not answered.	
Representative Compositional Analysis of Vented or Flared Natural Gas		
Please provide the mole percent for the percentage questions in this group.		
Methane (CH4) percentage	68	
Nitrogen (N2) percentage, if greater than one percent 3		
Hydrogen Sulfide (H2S) PPM, rounded up	36	
Carbon Dioxide (C02) percentage, if greater than one percent		
Oxygen (02) percentage, if greater than one percent		
If you are venting and/or flaring because of Pipeline Specification, please provide the required spec		
Methane (CH4) percentage quality requirement	0	
Nitrogen (N2) percentage quality requirement	0	
Hydrogen Sufide (H2S) PPM quality requirement	0	
Carbon Dioxide (C02) percentage quality requirement	0	
Oxygen (02) percentage quality requirement	0	

Action 148681

QUESTIONS, Page 2

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QUESTIONS (continued)

Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	148681
	Action Type:
	[C-129] Amend Venting and/or Flaring (C-129A)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	09/16/2022
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	11:59 PM
Cumulative hours during this event	24

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Cause: Midstream Emergency Maintenance Producing Well Natural Gas Flared Released: 39 Mcf Recovered: 0 Mcf Lost: 39 Mcf]
Other Released Details	Not answered.
Additional details for Measured or Estimated Volume(s). Please specify	Flared volumes are measured
ls this a gas only submission (i.e. only significant Mcf values reported)	Yes, according to supplied volumes this appears to be a "gas only" report.

Venting or Flaring Resulting from Downstream Activity	
Was this vent or flare a result of downstream activity	Yes
Was notification of downstream activity received by this operator	No
Downstream OGRID that should have notified this operator	[221115] FRONTIER FIELD SERVICES, LLC
Date notified of downstream activity requiring this vent or flare	01/01/1900
Time notified of downstream activity requiring this vent or flare	Not answered.

Steps and Actions to Prevent Waste		
For this event, this operator could not have reasonably anticipated the current event and it was beyond this operator's control	True	
Please explain reason for why this event was beyond this operator's control	The gas plant where this gas goes is operated by Durango Midstream. They are experiencing intermittent compressor problems causing compressor downtime. This causes the well's static pressure to go up, thus sending all gas to flare.	
Steps taken to limit the duration and magnitude of vent or flare	This is an emergency caused by downstream third-party problems. There isn't much we can do to limit duration or magnitude short of shutting in the well.	
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Durango is working on their compressor problems.	

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ACKNOWLEDGMENTS

Action 148681

ACKNOWLEDGMENTS

Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	148681
	Action Type:
	[C-129] Amend Venting and/or Flaring (C-129A)

ACKNOWLEDGMENTS

\checkmark	I acknowledge that with this application I will be amending an existing incident file (assigned to this operator) for a vent or flare event, pursuant to 19.15.27 and 19.15.28 NMAC.
V	I acknowledge that amending an incident file does not replace original submitted application(s) or information and understand that any C-129 forms submitted to the OCD will be logged and stored as public record.
V	I hereby certify the statements in this amending report are true and correct to the best of my knowledge and acknowledge that any false statement may be subject to civil and criminal penalties under the Oil and Gas Act.
V.	I acknowledge that the acceptance of any C-129 forms by the OCD does not relieve this operator of liability should their operations have failed to adequately investigate, report, and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment.
V	I acknowledge that OCD acceptance of any C-129 forms does not relieve this operator of responsibility for compliance with any other applicable federal, state, or local laws and/or regulations.

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CONDITIONS

Action 148681

CONDITIONS

Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	148681
	Action Type:
	[C-129] Amend Venting and/or Flaring (C-129A)

CONDITIONS

Created B	/ Condition	Condition Date
caniello	If the information provided in this report requires further amendment(s), submit a [C-129] Amend Venting and/or Flaring Incident (C-129A), utilizing your incident number from this event.	10/4/2022