

FFS SYSTEM

US ENERGY DEVELOPMENT CORPORATION Attention: HIGHPOINT ENERGY SERVICES LLC, AGENT
 BA #: 101160
 PO BOX 4287
 CHATTANOOGA, TN 37405

Accounting Date: Jun 1, 2022
 Production Date: May 2022
 Pressure Base: 14.65

Fax #:



Meter #: 6075145
 Meter Name: TEXACO FEDERAL 14
 Contract: 1669
 Meter Split: 100.00

Physical Information					Settlement Information								
Volumes			Analysis		Plant Products								
	Mcf	MMBtu	Description	GPM	Mol	Description	Settle Unit	Basis Quantity	Allocated Quantity	Producer %	Settle Quantity	Price	Value
Gross Wellhead	1,115.56	1,452.46	co2		2,1610	Ethane	gal	3,458.67	1,922.56	40.00	769.02	0.453378	348.66
Net Wellhead	1,115.56	1,452.46	h2s		0,1000	Propane	gal	2,027.74	1,812.02	40.00	724.81	1.079717	782.59
Fuel	93.67	102.85	c1		69,1210	Isobutane	gal	331.79	295.47	40.00	118.19	1.562455	184.66
Shrink	187.08	466.20	c2	3.367	12,6070	Normal Butane	gal	894.71	786.43	40.00	314.57	1.362604	428.63
Residue Sale	766.06	788.77	c3	1.974	7,1730	Isopentane	gal	269.13	211.03	40.00	84.41	2.018735	170.40
Wellhead BTU 1,302.00			ic4	0.323	0,9910	Normal Pentane	gal	243.45	180.16	40.00	72.06	2.018735	145.47
			nc4	0.871	2,7660	Hexane	gal	381.10	158.12	40.00	63.25	2.018735	127.68
			ic5	0.262	0,7190	Total			5,365.79		2,146.31		2,188.09
			nc5	0.237	0,6560	Residue Gas							
			c6	0.371	0,8500	Description	Settle Unit	Allocated Quantity	Producer %	Settle Quantity	Price	Value	
			nit		2,8560	Residue	mmbtu	788.77	75.00		591.58	6.508729	3,850.42
			Total	7,405	100.0000	Total		788.77			591.58		3,850.42
Fees													
Description							Fee Unit	Fee Quantity	Fee Rate	Fee Value			
Off_spec_H2s							mcf	1,115.56	0.091082	101.61			
Allocated Electricity Fuel							mmbtu	1,452.46	0.094944	137.90			
Total											239.51		
Total Producer Payment: 5,799.00													

For Questions Contact:

Commercial
 Marketing@durangomidstream.com
 (346) 351-2786

Division of Interest
 RevenueAccounting@durangomidstream.com
 (346) 351-2786

Plant Accounting
 RevenueAccounting@durangomidstream.com
 (346) 351-2786

By:



WATFIRE
 ENERGY

TEXACO 14 FEDERAL FLARE METER : 305

All gas is measured through a check meter at the flare.

These are actual volumes, not estimates

Date	Gas Flowed	Hours Flowed	Comments
5/29/2022	15	10:00	Flared due to high gas line static pressure due to issues at gas plant.
5/30/2022	33	12:00	Flared due to high gas line static pressure due to issues at gas plant.
5/31/2022	25	14:00	Flared due to high gas line static pressure due to issues at gas plant.
6/1/2022	26	15:00	Flared due to high gas line static pressure due to issues at gas plant.
6/2/2022	23	14:00	Flared due to high gas line static pressure due to issues at gas plant.
6/3/2022	36	16:00	Flared due to high gas line static pressure due to issues at gas plant.
6/4/2022	40	22:00	Flared due to high gas line static pressure due to issues at gas plant.
6/5/2022	41	24:00:00	Flared due to high gas line static pressure due to issues at gas plant.
6/6/2022	4.4	24:00:00	Flared due to high gas line static pressure due to issues at gas plant.
6/7/2022	19.2	10:00	Flared due to high gas line static pressure due to issues at gas plant.
6/8/2022	22.5	10:00	Flared due to high gas line static pressure due to issues at gas plant.

District I
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District II
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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
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

DEFINITIONS

Action 122681

DEFINITIONS

Operator: U.S. ENERGY DEVELOPMENT CORPORATION 1521 N. Cooper St. Arlington, TX 76011	OGRID: 372759
	Action Number: 122681
	Action Type: [C-129] Venting and/or Flaring (C-129)

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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QUESTIONS

Action 122681

QUESTIONS

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QUESTIONS

Prerequisites <i>Any messages presented in this section, will prevent submission of this application. Please resolve these issues before continuing with the rest of the questions.</i>	
Incident Well	[30-025-29378] TEXACO 14 FEDERAL #001
Incident Facility	Not answered.

Determination of Reporting Requirements <i>Answer all questions that apply. The Reason(s) statements are calculated based on your answers and may provide additional guidance.</i>	
Was this vent or flare caused by an emergency or malfunction	Yes
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, minor venting and/or flaring of natural gas.
<i>An operator shall file a form C-141 instead of a form C-129 for a release that, includes liquid during venting and/or flaring that is or may be a major or minor release under 19.15.29.7 NMAC.</i>	
Was there at least 50 MCF of natural gas vented and/or flared during this event	Yes
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 watercourse, or otherwise, with reasonable probability, endanger public health, the environment or fresh water	No
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	No

Equipment Involved	
Primary Equipment Involved	Not answered.
Additional details for Equipment Involved. Please specify	Not answered.

Representative Compositional Analysis of Vented or Flared Natural Gas <i>Please provide the mole percent for the percentage questions in this group.</i>	
Methane (CH4) percentage	69
Nitrogen (N2) percentage, if greater than one percent	3
Hydrogen Sulfide (H2S) PPM, rounded up	3,414
Carbon Dioxide (CO2) percentage, if greater than one percent	2
Oxygen (O2) percentage, if greater than one percent	0
<i>If you are venting and/or flaring because of Pipeline Specification, please provide the required specifications for each gas.</i>	
Methane (CH4) percentage quality requirement	Not answered.
Nitrogen (N2) percentage quality requirement	Not answered.
Hydrogen Sulfide (H2S) PPM quality requirement	Not answered.
Carbon Dioxide (CO2) percentage quality requirement	Not answered.
Oxygen (O2) percentage quality requirement	Not answered.

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QUESTIONS, Page 2

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QUESTIONS (continued)

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QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	05/29/2022
Time vent or flare was discovered or commenced	10:00 AM
Time vent or flare was terminated	10:00 AM
Cumulative hours during this event	171

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: 285 Mcf Recovered: 0 Mcf Lost: 285 Mcf
Other Released Details	Not answered.
Additional details for Measured or Estimated Volume(s). Please specify	Flared volumes were metered
Is 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	05/29/2022
Time notified of downstream activity requiring this vent or flare	08:00 AM

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 have been having compressor problems for the last month, which causes our static pressure at the well to go up, thus sending some of the produced gas to flare. Our gatherer is Frontier Field Services, LLC. Not sure its their responsibility to notify us, but Durango's. Unfortunately, we didn't know there's an issue till we are on our well and seeing it go to flare.
Steps taken to limit the duration and magnitude of vent or flare	The flaring is intermittent, not full time. Since this is a downstream third party issue, 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

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ACKNOWLEDGMENTS

☒	I acknowledge that I am authorized to submit a <i>Venting and/or Flaring</i> (C-129) report on behalf of this operator and understand that this report can be a complete C-129 submission per 19.15.27.8 and 19.15.28.8 NMAC.
☒	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to this operator) to track any C-129 forms, pursuant to 19.15.27.7 and 19.15.28.8 NMAC and understand that this submission meets the notification requirements of Paragraph (1) of Subsection G and F respectively.
☒	I hereby certify the statements in this 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.
☒	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.
☒	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

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CONDITIONS

Created By	Condition	Condition Date
caniello	If the information provided in this report requires an amendment, submit a [C-129] Amend Venting and/or Flaring Incident (C-129A), utilizing your incident number from this event.	7/6/2022