

MANLEY GAS TESTING, INC.

P.O. DRAWER 193
OFFICE(432)367-3024

FAX(432)367-1166

ODESSA, TEXAS 79760
E-MAIL: MANLEYGAST@AOL.COMCHARGE..... 45 - 1
REC. NO. 0
TEST NUMBER.. 11847
SAMPLE TYPE.. SPOTDATE SAMPLED..... 10-22-21
DATE RUN..... 10-22-21
FROM EFF. DATE..... 10-01-21
TO EFF. DATE..... 10-31-21

STATION NO. ...

FLO-CAL ID.....

SAMPLE NAME.... WDDU - MEXICO J PRODUCTION GAS
RECEIVED FROM.. SCOUT ENERGY
LOCATION ODESSA TEXAS

FLOWING PRESSURE 14 PSIG

FLOWING TEMPERATURE 68 F

SAMPLED BY: WS

ANALYZED BY. ... JT

FRACTIONAL ANALYSIS
CALCULATED @ 14.730 PSIA AND 60F

MOL% GPM (REAL)

HYDROGEN SULFIDE... 0.5000
NITROGEN..... 4.4315
CARBON DIOXIDE..... 1.8389
METHANE..... 51.1622
ETHANE..... 16.9898
PROPANE..... 14.2783
ISO-BUTANE..... 1.2613
NOR-BUTANE..... 5.2584
ISO-PENTANE..... 0.8990
NOR-PENTANE..... 1.6158
HEXANES +..... 1.76484.575
3.960
0.416
1.669
0.331
0.590
0.776

H2S PPMV = 5000

'Z' FACTOR (DRY) = 0.9931
'Z' FACTOR (WET) = 0.9926

TOTALS 100.0000 12.317

..CALCULATED SPECIFIC GRAVITIES..

IDEAL, DRY..... 1.0041
IDEAL, WET 0.9974
REAL, DRY 1.0107
REAL, WET 1.0044

..CALCULATED GROSS HEATING VALUES..

BTU/CF - IDEAL, DRY 1584.1
BTU/CF - IDEAL, WET 1556.4
BTU/CF - REAL, DRY 1595.1
BTU/CF - REAL, WET 1568.0

DISTRIBUTION AND REMARKS:

J. POOLE(P)

LOCAL USE ONLY

ANALYZED BY: JT

APPROVED:



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ODESSA, TEXAS 79760
E-MAIL: MANLEYGAST@AOL.COMCHARGE..... 45 - 1
REC. NO. 0
TEST NUMBER.. 11848
SAMPLE TYPE.. SPOTDATE SAMPLED..... 10-22-21
DATE RUN..... 10-22-21
FROM EFF. DATE..... 10-01-21
TO EFF. DATE..... 10-31-21

STATION NO. ...

FLO-CAL ID.....

SAMPLE NAME.... WDDU - WDDU PRODUCTION GAS
RECEIVED FROM.. SCOUT ENERGY
LOCATION ODESSA TEXAS

FLOWING PRESSURE 12 PSIG

FLOWING TEMPERATURE 70 F

SAMPLED BY: WS

ANALYZED BY. ... JT

FRACTIONAL ANALYSIS
CALCULATED @ 14.730 PSIA AND 60F

MOL% GPM (REAL)

HYDROGEN SULFIDE...	1.0000	
NITROGEN.....	3.5195	
CARBON DIOXIDE.....	1.3309	
METHANE.....	51.5502	
ETHANE.....	15.7217	4.234
PROPANE.....	14.8367	4.116
ISO-BUTANE.....	1.5067	0.497
NOR-BUTANE.....	5.7888	1.838
ISO-PENTANE.....	1.1579	0.426
NOR-PENTANE.....	1.5359	0.561
HEXANES +.....	2.0517	0.901
TOTALS	100.0000	12.573

H2S PPMV = 10000

'Z' FACTOR (DRY) = 0.9927
'Z' FACTOR (WET) = 0.9922

..CALCULATED SPECIFIC GRAVITIES..

IDEAL, DRY.....	1.0202
IDEAL, WET	1.0132
REAL, DRY	1.0273
REAL, WET	1.0208

..CALCULATED GROSS HEATING VALUES..

BTU/CF - IDEAL, DRY	1626.9
BTU/CF - IDEAL, WET	1598.4
BTU/CF - REAL, DRY	1638.9
BTU/CF - REAL, WET	1611.0

DISTRIBUTION AND REMARKS:

J. POOLE(P)

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APPROVED:





13800 Montfort Dr, Ste. 100
Dallas, TX 75240
972-277-1397 www.scoutep.com

March 1, 2024

EMNRD
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Flaring Calculations or Specific Justification for the Volumes.

Scout Energy Management LLC would like to report a flaring event that started at 3:00 p.m. 02/07/2024 and ended at 2:59 p.m. 02/08/2024.

Calculations were not done as all volumes are true meter readings and are listed below:

- COATES ABCD = 128 mcf/d – reported

If there are any questions or concerns, please do not hesitate to contact our office.

Regards,

Lee Ellison
lellison@scoutep.com
(972) 325-1096
13800 Montfort Drive, Ste.100
Dallas, TX 75240



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Dallas, TX 75240
972-277-1397 www.scoutep.com

March 1, 2024

Application for Exception to Statewide Rule 19.15.27.G.(a).

Re: Statewide Rule Exception Request Documentation
 Scout Energy Management LLC. (760218)
 A.B. Coates
 Lea County, New Mexico

Scout Energy Management LLC. is submitting a request to flare casinghead gas at the following lease facilities: The lease will be flaring commencing date 02/06/2024 at 3 p.m. through end date 02/28/2024. The flaring is due to our gas purchaser, Targa Midstream, shutting down their system for repairs due to a leak in their discharge line. Scout has worked through multiple options to get the gas offloaded to another purchaser and determined that it will not be economically viable. Flaring for all leases documented is necessary for Scout to produce recoverable oil from wells.

If there are any questions or concerns, please do not hesitate to contact our office.

Regards,

Lee Ellison
lellison@scoutep.com
(972) 497-2863
13800 Montfort Drive, Ste.100
Dallas, TX 75240

API	Well Name	Well Number	Type	Work Type
30-025-11736	A B COATES C FEDERAL	#014	Oil	Plugback
30-025-11728	A B COATES C FEDERAL	#015	Oil	New
30-025-24219	A B COATES C FEDERAL	#029	Oil	New

Mineral Owner	Surface Owner	Status
Federal	Private	Active
Federal	Private	Active
Federal	Private	Active

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
TANK BATTERY	FACILITY ID	FACILITY LOCATION					TANK CONTROLS				GAS-TO-OIL RATIOS				FACILITY PROCESS	
		UNIT LETTER	Area of Section	Sect T&R	LAT	LONG	CRU	PW	GB	CAP EFF	WBF		LL		CRU	PW
											CRU	PW	CRU	PW		
FACILITY NAME	ID	UL	Section Area	Sect T&R	N	W	Y/N	Y/N	Y/N	%	MSCF/BBL	MSCF/BBL	MSCF/BBL	MSCF/BBL	Convey	Convey
CC FRISTOE AB FEDERAL NCT 1 AND 2	IGRL0916227708	H	SE 1/4 of NE 1/4	S35 T24S R37E	32.17739	-103.12867	N	N	NA	0	0.1707	0.0005	0.0024	0.0023	Trucked	Piped
COATES ABCD	HPAC0600531498	G	SW 1/4 of NE 1/4	S24 T25S R37E	32.11911	-103.11289	N	N	NA	0	0.0337	0.0004	0.0022	0.0001	Trucked	Piped
GLERWIN BATTERY	FKJ1517650094	O	SW 1/4 of SE 1/4	S35 T24S R37E	32.16997	-103.12958	N	N	N	0	0.0246	0.0033	0.0024	0.0001	Trucked	Piped
MEXICO J AND L BATTERY 9	FOY1829648635	B	Lot 2	S05 T25S R38E	32.16314	-103.08253	N	N	NA	0	0.0165	0.0003	0.0025	0.0000	Trucked	Piped
STATE BB AND L BZ NCT BATTERY	FJXK1532837187	E	SE 1/4 of NW 1/4	S02 T25S R37E	32.16114	-103.13797	N	N	NA	0	0.0285	0.0005	0.0024	0.0001	Trucked	Piped
WEST DOLLARHIDE DRINKARD UNIT CENTRAL BATTERY	FAPP2321233158	D	NW 1/4 of NW 1/4	S32 T24S R38E	32.17944	-103.08761	Y	N	Y	95	0.0214	0.0002	0.0001	0.0005	LACT	Piped

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1000 Rio Brazos Rd., Aztec, NM 87410
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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

DEFINITIONS

Action 319326

DEFINITIONS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 319326
	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 319326

QUESTIONS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 319326
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Prerequisites Any messages presented in this section, will prevent submission of this application. Please resolve these issues before continuing with the rest of the questions.	
Incident Well	Unavailable.
Incident Facility	[fPAC0600531498] COATES AB C&D

Determination of Reporting Requirements Answer all questions that apply. The Reason(s) statements are calculated based on your answers and may provide additional guidance.	
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.
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.	
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	Pipeline (Any)
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	52
Nitrogen (N2) percentage, if greater than one percent	4
Hydrogen Sulfide (H2S) PPM, rounded up	1
Carbon Dioxide (C02) percentage, if greater than one percent	0
Oxygen (O2) percentage, if greater than one percent	0
If you are venting and/or flaring because of Pipeline Specification, please provide the required specifications for each gas.	
Methane (CH4) percentage quality requirement	Not answered.
Nitrogen (N2) percentage quality requirement	Not answered.
Hydrogen Sufide (H2S) PPM quality requirement	Not answered.
Carbon Dioxide (C02) percentage quality requirement	Not answered.
Oxygen (O2) percentage quality requirement	Not answered.

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QUESTIONS, Page 2

Action 319326

QUESTIONS (continued)

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 319326
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	02/06/2024
Time vent or flare was discovered or commenced	03:00 PM
Time vent or flare was terminated	03:00 PM
Cumulative hours during this event	24

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	Cause: Midstream Emergency Maintenance Pipeline (Any) Natural Gas Vented Released: 128 Mcf Recovered: 0 Mcf Lost: 128 Mcf.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Additional details for Measured or Estimated Volume(s). Please specify	Not answered.
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	Yes
Downstream OGRID that should have notified this operator	[24650] TARGA MIDSTREAM SERVICES LLC
Date notified of downstream activity requiring this vent or flare	02/06/2024
Time notified of downstream activity requiring this vent or flare	03:00 PM

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	out of our control
Steps taken to limit the duration and magnitude of vent or flare	3rd party issue
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	3rd party issue

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ACKNOWLEDGMENTS

Action 319326

ACKNOWLEDGMENTS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 319326
	Action Type: [C-129] Venting and/or Flaring (C-129)

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

Action 319326

CONDITIONS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 319326
	Action Type: [C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
dfuentes	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.	3/1/2024