



Certificate of Analysis

Number: 5030-25040010-002A

Midland Laboratory

 2200 East I-20
 Midland, TX 79706
 Phone 432-689-7252

 Mark Cochran
 Lario Oil & Gas Co.
 5013 Andrews Highway
 Odessa, TX 79762

 Station Name: SKY DWELLER SOUTH
 Sample Point: SEPERATOR
 Method: GPA 2286
 Cylinder No: 5030-04569
 Instrument 1: 5030_GC11, Middle (TCD)
 Instrument 2: FID-3,
 Analyzed: 04/04/2025 09:31:36 by ARP

 Report Date: 04/15/2025
 Sampled By: JOSUE J
 Sample Of: Gas Spot
 Sample Conditions: 152 psig, @ 98 °F
 Sample Date: 03/31/2025 09:00
 Received Date: 04/01/2025
 Login Date: 04/01/2025

Analytical Data

Components	Mol. %	Wt. %	GPM at 14.65 psia		
Nitrogen	3.425	4.101		GPM TOTAL C2+	7.668
Methane	68.569	47.019		GPM TOTAL C3+	3.835
Carbon Dioxide	0.857	1.612		GPM TOTAL iC5+	0.704
Ethane	14.351	18.445	3.833		
Propane	7.942	14.969	2.185		
Iso-butane	0.952	2.365	0.311		
n-Butane	2.018	5.013	0.635		
Iso-pentane	0.551	1.699	0.201		
n-Pentane	0.430	1.326	0.156		
Hexanes Plus	0.905	3.451	0.347		
	100.000	100.000	7.668		

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8106	3.0486
Calculated Molecular Weight	23.40	88.29
Compressibility Factor	0.9957	
GPA 2172 Calculation:		
Calculated Gross BTU per ft³ @ 14.65 psia & 60°F		
Real Gas Dry BTU	1327	4696
Water Sat. Gas Base BTU	1303	4614

Hydrocarbon Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated. The test results apply to the sample as received.



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Components	Mol. %	Wt. %	GPM at 14.65 psia	
Nitrogen	3.425	4.101		GPM TOTAL C2+
Methane	68.569	47.019		7.668
Carbon Dioxide	0.857	1.612		
Ethane	14.351	18.445	3.833	
Propane	7.942	14.969	2.185	
Iso-Butane	0.952	2.365	0.311	
n-Butane	2.018	5.013	0.635	
Iso-Pentane	0.551	1.699	0.201	
n-Pentane	0.430	1.326	0.156	
i-Hexanes	0.251	0.909	0.100	
n-Hexane	0.119	0.442	0.049	
Benzene	0.098	0.329	0.028	
Cyclohexane	0.085	0.305	0.029	
i-Heptanes	0.192	0.745	0.075	
n-Heptane	0.027	0.118	0.013	
Toluene	0.036	0.141	0.012	
i-Octanes	0.082	0.364	0.036	
n-Octane	0.005	0.025	0.002	
Ethylbenzene	0.003	0.014	0.001	
Xylenes	0.003	0.013	0.001	
i-Nonanes	0.003	0.033	0.001	
n-Nonane	0.001	0.003	0.000	
Decane Plus	0.000	0.010	0.000	
	100.000	100.000	7.668	

Calculated Physical Properties	Total	C10+
Relative Density Real Gas	0.8106	0.0000
Calculated Molecular Weight	23.40	0.00
Compressibility Factor	0.9957	
GPA 2172 Calculation:		
Calculated Gross BTU per ft³ @ 14.65 psia & 60°F		
Real Gas Dry BTU	1326.6	0.000
Water Sat. Gas Base BTU	1303.3	0.000

Mostafa Alhammad

Hydrocarbon Laboratory Manager

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Odessa, TX 79762

Station Name: SKY DWELLER SOUTH	Report Date: 04/15/2025
Sample Point: SEPARATOR	Sampled By: JOSUE J
Received Date: 04/01/2025	Sample Of: Gas Spot
Login Date: 04/01/2025	Sample Conditions: 152 psig, @ 98 °F
Cylinder No: 5030-04569	Sample Date: 03/31/2025 09:00

Analytical Data

Test	Method	Result	Units	Detection Limit	Lab Tech.	Analysis Date
Hydrogen Sulfide	ASTM D-4810	950	ppm		CDW	04/15/2025

A handwritten signature in black ink, appearing to read 'C. Wallace', is written over a horizontal line.

Data reviewed by: Cody Wallace

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated. The test results apply to the sample as received.

FLARING SUMMARY

Battery	Date	Total Flare Vol (mcf)	Hrs Flared	Start		End	
SkyDweller South CTB	01/13/2026	132	12	01/13/2026	12:00AM	01/13/2026	12:00PM

High O2 sensor readings on the midstream system resulted in excess gas routed to flare. Gas volumes measured by HP & LP flare meters. Field staff adjusting setpoints to mitigate high O2 and reduce flare volume.

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

DEFINITIONS

Action 543007

DEFINITIONS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 543007
	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 543007

QUESTIONS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 543007
	Action Type: [C-129] Venting and/or Flaring (C-129)

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	[30-025-53150] SKY DWELLER 14 STATE COM #101H
Incident Facility	Unavailable.

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 within 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 <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	950
Carbon Dioxide (CO2) percentage, if greater than one percent	1
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

Action 543007

QUESTIONS (continued)

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 543007
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	01/13/2025
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	12:00 PM
Cumulative hours during this event	12

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Cause: Pipeline Quality Specifications Pipeline (Any) Natural Gas Flared Released: 132 Mcf Recovered: 0 Mcf Lost: 132 Mcf.
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	No
Downstream OGRID that should have notified this operator	[333151] Lea Midstream, LLC
Date notified of downstream activity requiring this vent or flare	Not answered.
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	High O2 sensor readings on the midstream system resulted in excess gas routed to flare.
Steps taken to limit the duration and magnitude of vent or flare	Field staff adjusting setpoints to mitigate high O2 and reduce flare volume.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Field staff and Midstream company checking facility for any opportunity for excess O2 to be added to system.

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ACKNOWLEDGMENTS

Action 543007

ACKNOWLEDGMENTS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 543007
	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 543007

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	Action Number: 543007
	Action Type: [C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
ryanb	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.	1/14/2026