



Certificate of Analysis

Number: 6030-25101296-001A

Artesia Laboratory

200 E Main St.
Artesia, NM 88210
Phone 575-746-3481

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

Station Name:	CLOSE ENCOUNTERS BULK -- Meter Run	Report Date:	10/24/2025
Station Number:	432008	Sampled By:	Ricki Dew
Sample Point:	Meter Run	Sample Of:	Gas
Sampling Method:	Purge/Fill	Sample Type:	Spot
Heating Method:	N/A	Sample Conditions:	70 psig, @ 87 °F Ambient: 74 °F
Method:	GPA-2261M	Sample Date:	10/17/2025 10:20
Cylinder No.:	1111-011218	Received Date:	10/20/2025
Instrument:	70104251 (Inficon GC-MicroFusion)	Login Date:	10/20/2025
Last Inst. Cal.:	10/20/2025 10:38:32	Effective Date:	10/01/2025
Analyzed:	10/22/2025 14:52:22 by CDW	Flow Rate:	158 MSCFD

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.004	0.006		GPM TOTAL C2+	7.465
Nitrogen	4.001	3.995	4.729		GPM TOTAL C3+	4.099
Methane	69.545	69.439	47.076		GPM TOTAL iC5+	1.035
Carbon Dioxide	0.898	0.897	1.668			
Ethane	12.552	12.533	15.925	3.366		
Propane	7.367	7.356	13.707	2.035		
Iso-butane	0.981	0.980	2.407	0.322		
n-Butane	2.235	2.232	5.482	0.707		
Iso-pentane	0.684	0.683	2.082	0.251		
n-Pentane	0.552	0.551	1.680	0.201		
Hexanes Plus	1.332	1.330	5.238	0.583		
	<u>100.147</u>	<u>100.000</u>	<u>100.000</u>	<u>7.465</u>		

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8204	3.2176
Calculated Molecular Weight	23.66	93.19
Compressibility Factor	0.9956	

GPA 2172 Calculation:

Calculated Gross BTU per ft³ @ 14.73 psia & 60°F

Real Gas Dry BTU	1340	5141
Water Sat. Gas Base BTU	1317	5052

Comments: H2S Field Content: 0.004 %

Mostaq Ahamed

Petroleum Chemist

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	
Close Encounters CTB	02/22/2026	61	24	02/22/2026	12:00AM	02/22/2026	12:00AM

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 558960

DEFINITIONS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 558960
	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.

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

QUESTIONS

Action 558960

QUESTIONS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 558960
	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	[30-025-52945] CLOSE ENCOUNTERS STATE COM #301H
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	70
Nitrogen (N2) percentage, if greater than one percent	4
Hydrogen Sulfide (H2S) PPM, rounded up	40
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.

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

QUESTIONS, Page 2

Action 558960

QUESTIONS (continued)

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 558960
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	02/22/2026
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	12:00 AM
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 Pipeline (Any) Natural Gas Flared Released: 61 Mcf Recovered: 0 Mcf Lost: 61 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	Maintenance on the midstream line O2 sensor resulted in gas routed to flare.
Steps taken to limit the duration and magnitude of vent or flare	Field staff adjusting setpoints mitigate flare volumes.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Evaluating alternative midstream options and on-site gas use options.

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

ACKNOWLEDGMENTS

Action 558960

ACKNOWLEDGMENTS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 558960
	Action Type: [C-129] Venting and/or Flaring (C-129)

ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	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.
<input checked="" type="checkbox"/>	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.
<input checked="" type="checkbox"/>	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.
<input checked="" type="checkbox"/>	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.
<input checked="" type="checkbox"/>	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.

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

CONDITIONS

Action 558960

CONDITIONS

Operator: LARIO OIL & GAS CO 260 N. Josephine St Denver, CO 80206	OGRID: 13089
	Action Number: 558960
	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.	3/2/2026