

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

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

Form C-101

August 1, 2011

Permit 302841

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address Tamaroa Operating, LLC PO Box 866937 Plano, TX 750866937		2. OGRID Number 328666
		3. API Number 30-005-64364
4. Property Code 330830	5. Property Name LE Ranch	6. Well No. 001

7. Surface Location

UL - Lot E	Section 34	Township 11S	Range 29E	Lot Idn	Feet From 1980	N/S Line N	Feet From 270	E/W Line W	County Chaves
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8. Proposed Bottom Hole Location

UL - Lot E	Section 34	Township 11S	Range 29E	Lot Idn E	Feet From 1980	N/S Line N	Feet From 270	E/W Line W	County Chaves
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9. Pool Information

WHITE RANCH;SILURO DEVONIAN	64220
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3780
16. Multiple N	17. Proposed Depth 8900	18. Formation Devonian	19. Contractor	20. Spud Date 12/31/2021
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	40	2300	650	0
Prod	8.75	5.5	17	8900	2630	0

Casing/Cement Program: Additional Comments

GL - 400': Fresh Water Spud Mud; 400'-5600': Cut Brine 5600'-8900': Cut Brine Gel, Starch

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	TBD
Double Ram	5000	2500	TBD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Electronically filed by William C Bahlburg

Title: Manager

Email Address: bill@tamaroadev.com

Date: 10/22/2021

Phone: 972-867-2575

Approved By: John A Garcia

Title: Petroleum Specialist - A

Approved Date: 11/12/2021

Expiration Date: 11/12/2023

Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-	Pool Code 64220	Pool Name WHITE RANCH; SILURO DEVONIAN
Property Code	Property Name LE RANCH	Well Number 1
OGRID No. 328666	Operator Name TAMAROA OPERATING, LLC	Elevation 3780'

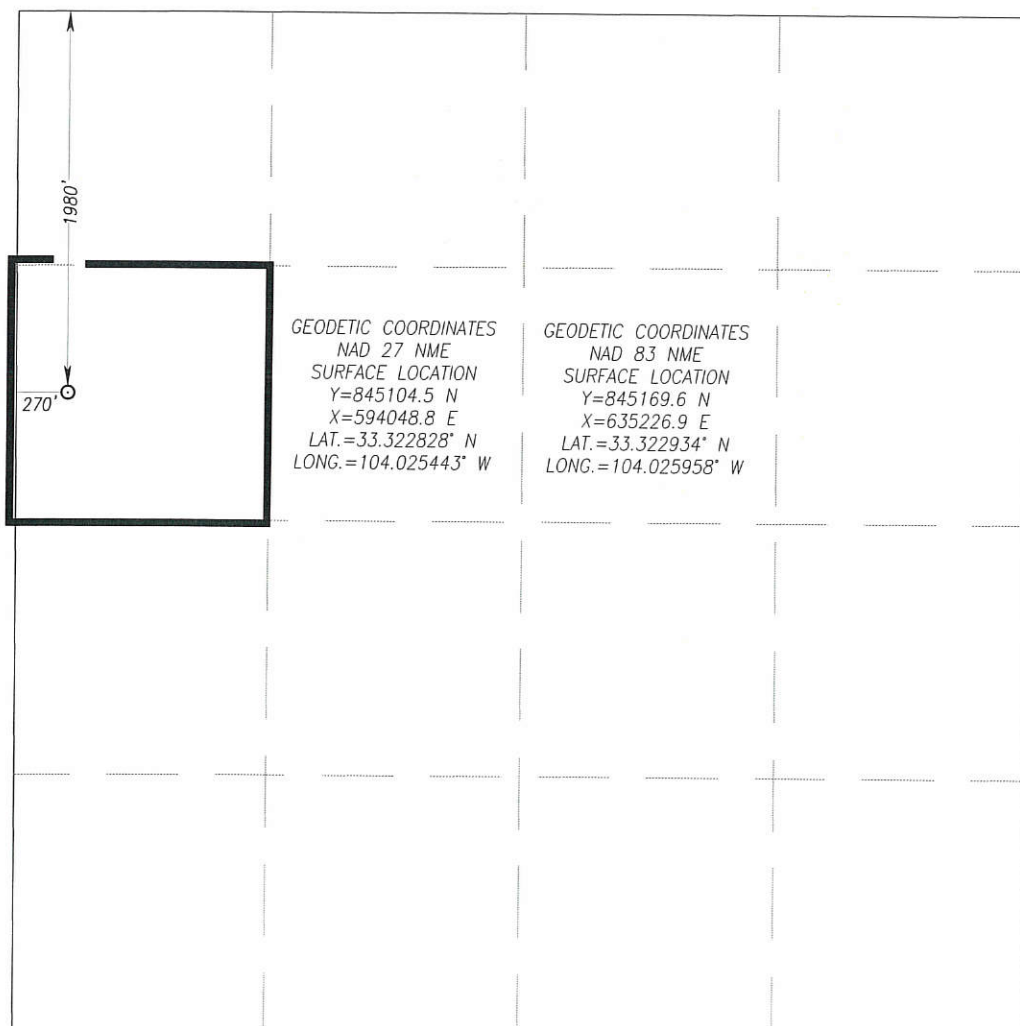
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	34	11-S	29-E		1980	NORTH	270	WEST	CHAVES

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40.00	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Brian Wood **5-7-21**
Signature Date

BRIAN WOOD

Printed Name

brian@permitswest.com

E-mail Address **(505) 466-8120**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey **12641**
Signature & Seal of Professional Surveyor

Gary G. Eidson
REGISTERED PROFESSIONAL SURVEYOR

Certificate Number **Gary G. Eidson 12641**
Ronald J. Eidson 3239

ACK JWSC W.O.: 21.11.0122

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Energy, Minerals and Natural Resources
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1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 302841

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Tamaroa Operating, LLC [328666] PO Box 866937 Plano, TX 750866937	API Number: 30-005-64364
	Well: LE Ranch #001

OCD Reviewer	Condition
kpickford	Will require a administrative order for non-standard location prior to placing the well on production
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	The Operator is to notify NMOC by sundry (Form C-103) within ten (10) days of the well being spud
kpickford	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
kpickford	Cement is required to circulate on both surface and production strings of casing
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Tamaroa Operating, LLC **OGRID:** 326666 **Date:** 07-03-21

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
LE Ranch 1	30-005-	E-34-11S-29E	1980 FNL & 270 FWL	200	200	50

IV. Central Delivery Point Name: IACX Roswell, LLC (327122) in B-28-10s-28e [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
LE Ranch 1	30-005-	12-31-21	1-31-22	2-1-22	2-14-22	3-1-22

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☒ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

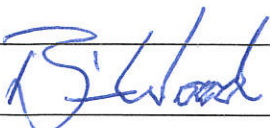
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	
Printed Name: Brian Wood	
Title: Consultant	
E-mail Address: brian@permitswest.com	
Date: 7-3-21	
Phone: 505 466-8120	

OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)

Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. SEPARATION EQUIPMENT

Tamaroa Operating LLC will install either a 4' x 20' or 8' x 20' heater-treater depending on volumes.

Associated equipment will include:

- 3-phase separator
- gas scrubber
- fuel safety shut-off valve
- vapor recovery tower
- vapor recovery piping for water & oil tanks
- two 500 bbl water tanks
- two or three 500 bbl oil tanks

Typical specifications are attached.



OILFIELD MANUFACTURING & SUPPLY

Petrosmith Equipment, LP

7435 US Hwy 277 S P.O. BOX 6291 (79608)

Abilene, Texas 79606

Phone: (325)691-1085

Sales Quote

Quote To: NEW CUSTOMER	Ship To: TAMAROA DEVELOPMENT LLC P.O. BOX 560430 THE COLONY, TX 75093 U.S.A. Phone: 972.740.8969	Quote No. Q17100 Quote Date 7/2/2021 Purchase Order Number Entered By JD
Quote Description Delaware AFE Well w/ Specs	Terms Net 30	Req. Ship Date 7/2/2021

Line #	Qty	UOM	Description	Unit Price	Disc.	Tax	Extension
0001	1.00	EA	36" x 10' 250# Horizontal Non-Code 3-phs Separator - Built to Non Code Spec. (Non Monogrammed) - SA-516 Gr.70 Heads - SA-36 Rolled Shell - ANSI 3M Threaded Connections - Class 150 Flanged Connections - 1/2" Threaded Pressure Indicator/Sight Glass - 1" Auxiliary Connection - 2" Threaded PSV/HLSS - 4" Flanged Drains - 6" Flanged Inlet/Gas Out/Fluid Outs - 8" Kimray HUTA LLC - 12" Gas Dome - Fixed Inlet Diverter Baffle - Internal Coating: NONE - External Paint: Devthane 349QC (Desert Sand)				
0002	1.00	EA	48" x 20' 125# Vertical Non-Code Heater Treater Built to Non-Code Spec. 3/8" F&D Heads SA-36 3/8" Shell SA-36 ANSI 3M Threaded Nozzles 16" Manways w/Neoprene Gaskets 16" Firetube w/Neoprene Gasket Standard 20' Ladder				
0003	1.00	EA	Accessories - 125# Vertical Heater Treater w/2" Dumps, 16" Firetube (Item: 90633) - (1) SB 16-16 500,000 BTU Flame Arrestor Burner with Gasket, Pilot, Nozzle - (4) 1" x 3/4" F.S. Bushing SA-105 - (1) 1/2" x 1/4" F.S. Bushing SA-105 - (2) 3/4" x 1/4" F.S. Bushing SA-105 - (2) 1/4" 3000# F.S. Threaded Full Coupling SA-105 (25) - (1) 1/4" 3000# F.S. Street 90 SA-105, Threaded - (4) 1/4" 69C Brass Tubing ELL Fitting - (4) 1/4" 69C Brass Tubing Straight Fitting - (1) 1/4" Blk Mlb TEE - (2) 3/4" Blk Mlb 90 ELL				



Petrosmith Equipment, LP

Sales Quote

OILFIELD MANUFACTURING & SUPPLY

7435 US Hwy 277 S P.O. BOX 6291 (79608)

Abilene, Texas 79606

Phone: (325)691-1085

- (2) 3/4" Blk Mlb TEE
- (1) 0-160# 2.5" face Dry Pressure Gauge, 1/4" brass Lower Mount
- (1) 0-30# 2.5" face Dry Pressure Gauge, 1/4" brass Lower Mount
- (1) Kimray (HAA) T-12 Thermostat (HAA)
- (1) Kimray (HCC) 1" SS12 Seperable Socket Well
- (3) Set of 1/2" Brass Gauge Cocks 250# W.P.
- (1) WIKA TI-33 0-250 Thermometer w/Thermowell
- (1) 5/8" x 18" Std. Sight Glass
- (1) 5/8" x 24" Std. Sight Glass
- (1) 5/8" x 48" Std. Sight Glass
- (1) 1/2" x 4" Std. Threaded Nipple
- (2) 1/4" x 2" Std. Threaded Nipple
- (1) 1/4" x 6" Std. Threaded Nipple
- (1) 2" x 18" XH Threaded Nipple
- (4) 3/4" x 4" Std. Threaded Nipple
- (1) 3/4" x 6" Std. Threaded Nipple
- (24) Bolt, Hex Head, G5, Standard, 1/2" x 1-1/4"
- (24) Nut, Hex Head, G5, Standard, 1/2"
- (1) 1-1/4" Std. Blk Mlb Cored Plug
- (25) 1/4" Copper Tubing
- (1) 3/4" 150# Blk Mlb Union
- (1) 1/2" Brass Ball Valve, Threaded
- (1) 1/4" Brass Air Cock
- (1) 2" Pop-Off set @ 125#
- (1) 3/4" Brass Gate Valve, Threaded
- (1) Kimray (AAR) 230-SGT BP Back Pressure D. Regulator 300# W.P. (Rplc AAA)
- (2) Kimray (DAA) 26-SWA Treater Dump Valve 125# W.P.
- (1) Kimray (EUA3) 130-SMT DAB Motor Valve
- (1) Wellmark Mighty Gun Fuel Gas Regulator IPR-9S385 (10-95#)

0004	1.00	EA	Concrete Pad - 05' x 12" (P) (Item: 97451)
0005	1.00	EA	10" x 25" ASME-Code Manchester Gas Scrubber #301301 (Item: 95451) Built to ASME-Code Spec, MAWP 250# Required Accessories: (1) Fuel Safety Shut-Off Valve Float Assembly (2 piece, Separate Line Item)
0006	1.00	EA	Fuel Safety Shut-Off Valve Float Assembly (2 piece) (Item: 90526)
0007	1.00	EA	30" x 36' 125# Non-Code Vapor Recovery Tower - Built to Non Code Spec. (Non Monogrammed) - F&D Heads and Shell SA-36 - ANSI 3M Threaded Nozzles - Class 150 RFWN Flanged Nozzles - 2" Threaded Drain (Siphon) - 2" Flanged Pressure Safety Relief



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Petrosmith Equipment, LP

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Abilene, Texas 79606

Phone: (325)691-1085

Sales Quote

- 4" Flanged Inlet / Outlets
- 18" Flanged Manway w/Neoprene Gasket
- Zinc Plated Internal Fasteners for Piping
- G5 Fasteners for Flanged Connections

- Internal Coating: Bottom and 5' Up with Enviroline 2405
- External Coating: Devthane 349QC DTM (Shale Green)

US Dollars

Comments:

CUSTOMER SIGNATURE REQUIRED AS ACKNOWLEDGEMENT OF BINDING AGREEMENT THAT CUSTOMER WILL BE BILLED FOR EQUIPMENT UPON FABRICATION COMPLETION AND PAYMENT WILL BE DUE PER THE TERMS MENTIONED BELOW.

Signature

Date

Purchase Order No .

QUOTE IS BASED ON MATERIAL AVAILABILITY AND RAW GOODS SPOT MARKET VALUE. SURCHARGE WILL BE ADDED FOR RAW GOODS SPOT MARKET VALUE AT TIME OF MATERIAL PROCUREMENT. ASSOCIATED COSTS FOR 3rd PARTY HOLD POINTS THAT ARE PRODUCTION IMPACTING WILL BE BILLED ACCORDINGLY. SHIP DATES ARE ESTIMATED AND MAY VARY FROM ACTUAL SHIP DATES.

Please Note: All Quotes Valid for 48 Hours Only. All Invoices Due and Payable in Abilene, Taylor County, Texas. Equipment will be billed upon completion and inspection approval. Applicable Freight Charges Will Apply for Delivery of Equipment. No Crane Charge Quoted. If Third Party Crane is Required for Off-Loading/Setting of Tanks, Petrosmith Will Not be Responsible for Crane Charges. In The Event There is a Coating/Paint Issue After Equipment is Delivered, Petrosmith Reserves the Right to Repair the Issue(s) in the Field at Our Discretion. Customer to Provide Navigable Path for Trucks to Deliver Product(s) in a Safe Manner; Damage to Equipment Caused by such will be Responsibility of Customer. Petrosmith Reserves the Right to Re-Bid Projects Based on Cost Increase of Purchased Goods and Raw Materials at Any Time. All Invoices Remaining Unpaid 30 Days From The Date of Invoices Are Subject to Late Charges of 1-1/2%, 18% Annual Rate, Along With Attorney and Collection Fees. Please be Advised Used Products NOT Subject To Any Warranty Intended Or Implied - Sold As Is Where Is. Manufactured Tanks and Vessels are Warranted to be Free from Defects in Material and Workmanship for 12 Months. Stairs and walkways not manufactured in accordance with API-12F Annex B. Title To This Pipe Or Equipment Does Not Pass Until Invoice Is Paid In Full. Equipment Subject To Repossession Without Notice Upon Default Of Terms.

VII. Operational Practices

NMAC 19.15.27.8 (A) Venting & Flaring of Natural Gas

1. Tamaroa Operating, LLC will comply NMAC 19.15.27.8 – venting and flaring of gas during drilling, completion, or production that constitutes waste as defined in 19.15.2 is banned.

NMAC 19.15.27.8 (B) Venting & Flaring During Drilling

1. Tamaroa will capture or combust gas if technically feasible during drilling operations using best industry practices.
2. A flare stack with a 100% capacity for expected volume will be set on the pad ≥ 100 feet from the nearest well head and storage tank.
3. In an emergency, Tamaroa will vent gas in order to avoid substantial impact. Tamaroa will report vented or flared gas to the NMOCD.

NMAC 19.15.27.8 (C) Venting & Flaring During Completion or Recompletion

1. Facilities will be built and ready from the first day of flowback
2. Test separator will be properly separate gas and liquids. Temporary test separator will be used initially to process volumes. In addition, separator will be tied into flowback tanks which will be tied into the gas processing equipment for sale down a pipeline.
3. Should the facility not be ready to process gas, or the gas does not meet quality standards, then storage tanks will be set that are tied into gas busters or a temporary flare to manage all gas. This flare would meet the following requirements:
 - a) An appropriate sized flare stack with an automatic igniter
 - b) Tamaroa analyzes gas samples twice a week
 - c) Tamaroa flows the gas into a gathering line as soon as the pipeline specifications are met
 - d) Tamaroa provides the NMOCD with pipeline specifications and natural gas data.

NMAC 19.15.27.8 (D) Venting & Flaring During Production

Tamaroa will not vent or flare natural gas except:

1. During an emergency or malfunction
2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided
 - a) Tamaroa does not vent after the well achieves a stabilized rate and pressure
 - b) Tamaroa will be on-site while unloading liquids by manual purging and take all reasonable actions to achieve a stabilized rate and pressure as soon as possible

- c) Tamaroa will optimize the system to minimize gas venting if the well is equipped with a plunger lift or auto control system
 - d) Best management practices will be used during downhole well maintenance.
- 3. During the first year of production from an exploratory well provided
 - a) Tamaroa receives approval from the NMOCD
 - b) Tamaroa stays in compliance with NMOCD gas capture requirements
 - c) Tamaroa submits an updated C-129 form to the NMOCD
- 4. During the following activities unless prohibited
 - a) Gauging or sampling a storage tank or low-pressure production vessel
 - b) Loading out liquids from a storage tank
 - c) Repair and maintenance
 - d) Normal operation of a gas-activated pneumatic controller or pump
 - e) Normal operation of a storage tank but not including venting from a thief hatch
 - f) Normal operation of dehydration units
 - g) Normal operations of compressors, engines, turbines, valves, flanges, & connectors
 - h) During a bradenhead, packer leakage test, or production test lasting <24 hours
 - i) When natural gas does not meet the gathering line specifications
 - j) Commissioning of pipelines, equipment, or facilities only for as long as necessary to purge introduced impurities.

NMAC 19.15.27.8 (E) Performance Standards

- 1. Tamaroa used a safety factor to design the separation and storage equipment. The equipment will be routed to a vapor recovery system and uses a flare as back up for startup, shutdown, maintenance, or malfunction of the VRU system.
- 2. Tamaroa will install a flare that will handle the full volume of vapors from the facility in case of VRU failure. It will have an auto-ignition system.
- 3. Flare stacks will be appropriately sized and designed to ensure proper combustion efficiency
 - a) Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.
 - b) Previously installed flare stacks will be retrofitted within 18 months of May 25, 2021 with an automatic ignitor, continuous pilot, or technology that alerts Tamaroa to flare malfunction.
 - c) Flare stacks replaced after May 25, 2021 will be equipped with an automatic ignitor or continuous pilot if at a well or facility with an average production of ≤ 60 Mcfd of natural gas.
 - d) Flare stacks will be located >100 feet from well head and storage tanks and securely anchored.
- 4. Tamaroa will conduct an AVO inspection on all components for leaks and defects every week.
- 5. Tamaroa will make and keep records of AVO inspections available to the NMOCD for at least 5 years.

6. Tamaroa may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
7. Facilities will be designed to minimize waste.
8. Tamaroa will resolve emergencies as promptly as possible.

NMAC 19.15.27.8 (F) Measuring or Estimating Vented & Flared Natural Gas

1. Tamaroa will have meters on both the low pressure and high-pressure sides of the flares. Volumes will be recorded in the SCADA system.
2. Tamaroa will install equipment to measure the volume of flared natural gas that has an average production of ≥ 60 Mcfd.
3. Tamaroa's measuring equipment will conform to industry standards.
4. Measurement system will be designed such that it cannot be bypassed except for inspections and servicing the meters.
5. Tamaroa will estimate the volume of vented or flared gas using a methodology that can be independently verified if metering is not practicable due to low flow rate or pressure.
6. Tamaroa will estimate the volume of vented and flared gas based on the results of an annual GOR test for wells that do not require measuring equipment reported on form C-116.
7. Tamaroa will install measuring equipment whenever the NMOCD determines that metering is necessary.

VIII. Best Management Practices

Tamaroa Operating, LLC will minimize venting during maintenance by:

1. System will be designed and operated to route storage tank and process equipment emissions to the VRU. If the VRU is not operable, then vapors will be routed to the flare.
2. Scheduling maintenance for multiple tasks to minimize the need for blowdowns.
3. After completion of maintenance, gas will be flared until it meets pipeline specifications.