



Certificate of Analysis

Number: 6030-22080146-001A

Artesia Laboratory

200 E Main St.
Artesia, NM 88210
Phone 575-746-3481Lee Weatherford
Steward Energy
2600 Dallas Pkwy Suite 400
Frisco, TX 75034

Aug. 12, 2022

Station Name: Heisenberg Sales Check
Station Number: 50518
Station Location: Steward Energy
Sample Point: Meter Run
Instrument: 6030_GC2 (Agilent GC-7890B)
Last Inst. Cal.: 05/17/2022 7:56 AM
Analyzed: 08/12/2022 10:31:44 by KNFSampled By:
Sample Of: Gas Spot
Sample Date: 08/11/2022
Sample Conditions: 55.3 psig, @ 87 °F
Effective Date: 08/11/2022
Flow Rate: 909.4 MSCFD
Method: GPA 2286
Cylinder No: 5030-01452

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	1.07000	1.555		GPM TOTAL C2+	5.661
Nitrogen	4.901	4.84700	5.790		GPM TOTAL C3+	2.859
Methane	70.127	69.35400	47.445		GPM TOTAL iC5+	0.826
Carbon Dioxide	5.203	5.14600	9.657			
Ethane	10.558	10.44200	13.389	2.802		
Propane	4.853	4.80000	9.026	1.327		
Iso-butane	0.680	0.67300	1.668	0.222		
n-Butane	1.547	1.53000	3.792	0.484		
Iso-pentane	0.487	0.48200	1.483	0.177		
n-Pentane	0.504	0.49800	1.532	0.181		
Hexanes Plus	1.171	1.15800	4.663	0.468		
	100.031	100.00000	100.000	5.661		

Calculated Physical Properties

Relative Density Real Gas	Total	C6+
Calculated Molecular Weight	0.8124	3.2513
Compressibility Factor	23.45	94.16
	0.9962	

GPA 2172 Calculation:

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

Real Gas Dry BTU	1189	5006
Water Sat. Gas Base BTU	1168	4919
Ideal, Gross HV - Dry at 14.73 psia	1184.5	5005.8
Ideal, Gross HV - Wet	1163.9	0.000

Comments: H2S Field Content 10700 ppm

Data reviewed by: Krystle Fitzwater, Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.



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Aug. 12, 2022

Station Name: Heisenberg Sales Check
Station Number: 50518
Station Location: Steward Energy
Sample Point: Meter Run
Analyzed: 08/12/2022 10:30:34 by KNFSampled By:
Sample Of: Gas Spot
Sample Date: 08/11/2022
Sample Conditions: 55.3 psig, @ 87 °F
Method: GPA 2286
Cylinder No: 5030-01452

Analytical Data

Components	Mol. %	Wt. %	GPM at 14.73 psia
Hydrogen Sulfide	1.070	1.555	
Nitrogen	4.847	5.790	
Methane	69.354	47.445	
Carbon Dioxide	5.146	9.657	
Ethane	10.442	13.389	2.802
Propane	4.800	9.026	1.327
Iso-Butane	0.673	1.668	0.222
n-Butane	1.530	3.792	0.484
Iso-Pentane	0.482	1.483	0.177
n-Pentane	0.498	1.532	0.181
i-Hexanes	0.252	0.905	0.101
n-Hexane	0.143	0.527	0.059
Benzene	0.164	0.536	0.045
Cyclohexane	0.062	0.226	0.021
i-Heptanes	0.181	0.717	0.073
n-Heptane	0.047	0.201	0.022
Toluene	0.069	0.270	0.023
i-Octanes	0.101	0.463	0.046
n-Octane	0.015	0.073	0.008
Ethylbenzene	0.022	0.100	0.008
Xylenes	0.014	0.065	0.006
i-Nonanes	0.027	0.146	0.014
n-Nonane	0.009	0.048	0.005
Decanes Plus	0.052	0.386	0.037
	100.000	100.000	5.661



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Aug. 12, 2022

Station Name: Heisenberg Sales Check
Station Number: 50518
Station Location: Steward Energy
Sample Point: Meter Run
Analyzed: 08/12/2022 10:30:34 by KNFSampled By:
Sample Of: Gas Spot
Sample Date: 08/11/2022
Sample Conditions: 55.3 psig, @ 87 °F
Method: GPA 2286
Cylinder No: 5030-01452

Calculated Physical Properties	Total	C10+
Calculated Molecular Weight	23.45	168.43
GPA 2172 Calculation:		
Calculated Gross BTU per ft³ @ 14.73 psia & 60°F		
Real Gas Dry BTU	1189.0	9126.9
Water Sat. Gas Base BTU	1168.3	8933.6
Relative Density Real Gas	0.8124	5.8155
Compressibility Factor	0.9962	
Ideal, Gross HV - Wet	1163.9	
Ideal, Gross HV - Dry at 14.73 psia	1184.5	
Net BTU Dry Gas - real gas	1080	
Net BTU Wet Gas - real gas	1061	

Comments: H2S Field Content 10700 ppm

Data reviewed by: Krystle Fitzwater, Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.

Heisenberg State Com 7H	9/14/2022	0.00	025-43754
Heisenberg State Com 7H	9/15/2022	113.26	
Heisenberg State Com 7H	9/16/2022	44.33	

401 E. Sonterra Blvd., Ste. 215
San Antonio, TX 78258



210-444-9664
info@stakeholderms.com

September 16, 2022

Steward Energy II, LLC
2600 N. Dallas Parkway
Frisco, TX 75034
Attn: William McMann

Re: Plant Outage Associated with Moisture Breakthrough and Blockage in Cryo

Dear Bill,

The purpose of this notice is to provide information regarding the recent outage at the Campo Viejo Plant (the "Plant").

In July of 2022, Stakeholder brought online its recent capacity expansion. During this period, Stakeholder identified that a moisture breakthrough had occurred from the dehydration beds, and that a small amount of water was introduced to the cryogenic process. At the time, it was determined that the impact of the moisture was de minimis to the current operations and could safely be addressed at a later date.

In August, Stakeholder became aware of a blockage in the process that had an impact on the operating efficiency of the plant, but did not impact overall utilization or present a safety concern. Stakeholder decided to maintain operations while closely monitoring the situation, noting that at some point in the future, an outage would be required to address the blockage.

On Saturday, September 10th, Stakeholder observed a notable change in the operating condition of the plant, indicating a shift of the blockage to another phase of the process, and began reviewing options to mitigate the potential risk. On Monday, September 12th, Stakeholder determined that the best course of action would be to address the blockage immediately to avoid a greater impact and longer plant downtime by waiting to address the issue in the future.

The following steps were taken to address the blockage:

- 9/13 – Received nitrogen waiver for the outage in order to minimize downtime
- 9/14, 7:00a – Shut down Campo Viejo to begin warmup and depressuring of cryo tower
- 9/15, 3:30p – Completed cleanout and reintroduced field gas and began plant startup process; total inlet flow limited to 40MMcfd due to residue market limitations
- 9/16, 10:30a – Plant restored to full capacity

We appreciate your patience and business. If you have any questions, please do not hesitate to contact me at 210-888-5087.

Respectfully,

A handwritten signature in blue ink, appearing to read "Josh Roberts".

Josh Roberts
Chief Operating Officer

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
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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 145692

DEFINITIONS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 145692
	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 145692

QUESTIONS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 145692
	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	[30-025-43754] HEISENBERG STATE COM #007H
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 within 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	70
Nitrogen (N2) percentage, if greater than one percent	5
Hydrogen Sulfide (H2S) PPM, rounded up	0
Carbon Dioxide (CO2) percentage, if greater than one percent	5
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 145692

QUESTIONS (continued)

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 145692
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	09/14/2022
Time vent or flare was discovered or commenced	07:00 AM
Time vent or flare was terminated	12:00 PM
Cumulative hours during this event	17

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Cause: Equipment Failure Gas Well Natural Gas Flared Released: 113 Mcf Recovered: 0 Mcf Lost: 113 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	No
Was notification of downstream activity received by this operator	Yes
Downstream OGRID that should have notified this operator	[371874] STAKEHOLDER GAS SERVICES, LLC
Date notified of downstream activity requiring this vent or flare	09/13/2022
Time notified of downstream activity requiring this vent or flare	04:30 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	Please see Stockholder letter
Steps taken to limit the duration and magnitude of vent or flare	please see stockholder letter
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	please see stockholder letter

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ACKNOWLEDGMENTS

Action 145692

ACKNOWLEDGMENTS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 145692
	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 145692

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Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 145692
	Action Type: [C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
krislee	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.	9/22/2022