

(Fixed Recovery)

Page 1 of 8

Accounting Date: October 2022
Run ID: 103156

Lease Information											
Settle ID	Payment ID	Lease Name	Facility Name	State	Contract ID	Operator Name/ID					Pressure Base
15640-00	15640-00	SHARBRO FEDERAL #1	NM SUPERSYSTEM	NM	ART45112PUR	FOUNDATION ENERGY MANAGEMENT LLC					14.73
						1033731.00					
Settlement Summary											
						0.00	0.00	0.00	0.00	0.00	

[illegible]

Analysis		
Components	Mol %	GPM
Helium	0.0000	
Nitrogen	4.6868	
Carbon Dioxide	2.3117	
H2S	0.0000	
Other Inerts	0.0000	
Methane	65.2280	
Ethane	11.2358	3.0184
Propane	8.0504	2.2279
Iso Butane	1.0801	0.3550
Nor Butane	2.7635	0.8752
Iso Pentane	0.8593	0.3157
Nor Pentane	0.8386	0.3054
Hexanes Plus	1.5994	0.7236
Totals	98.6536	7.8212

[illegible]

Sharbro 2 Battery	34									
Sharbro 2			8	left well running 14 days @ 8 MCF/day					112	
Sharbro 3			8	left well running 14 days @ 8 MCF/day					112	
Sharbro 4			8	left well running until 26th..9 days @ 8 MCF/day					72	
Sharbro 5			10	left well running until 26th..9 days @ 9 MCF/day					90	386



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District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
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State of New Mexico
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DEFINITIONS

Action 158946

DEFINITIONS

Operator: FOUNDATION ENERGY MANAGEMENT, LLC 5057 KELLER SPRINGS RD ADDISON, TX 75001	OGRID: 370740
	Action Number: 158946
	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: <ul style="list-style-type: none">• 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 158946

QUESTIONS

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	Action Number: 158946
	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	[30-025-34867] SHARBRO FEDERAL #002
Incident Facility	Unavailable.

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 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 Please provide the mole percent for the percentage questions in this group.	
Methane (CH4) percentage	65
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	2
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 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 158946

QUESTIONS (continued)

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

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	10/18/2022
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	05:00 PM
Cumulative hours during this event	336

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: 386 Mcf Recovered: 0 Mcf Lost: 386 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	No
Downstream OGRID that should have notified this operator	[270047] DCP MIDSTREAM
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	The gas plant downstream of our operations shut down. We have zero control of the midstream gas plant.
Steps taken to limit the duration and magnitude of vent or flare	Foundation Energy turned gas into the pipeline as long as possible until the line was taken offline. Then we turned gas back into the line as soon as the pipeline was capable of receiving gas.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	The event was beyond our control. We have no corrective actions to take to control the gas plant.

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ACKNOWLEDGMENTS

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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.

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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
jsmith	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.	11/15/2022