

**ARMSTRONG GAS LABS, INC.**

P.O. Box 988
 Monahans, Texas 79756
 (432) 943-8844 (FAX) 943-8855

GAS ANALYSIS REPORT

Analysis No.: 241265
 Customer: **LARIO OIL & GAS**

<u>Component</u>	<u>Mol. %</u>	(Ideal) <u>BTU</u>	(Ideal) <u>SG</u>	(Real) <u>GPM</u>		
Nitrogen	3.1454	0.000	0.030		Producer:	
Methane	59.7726	601.814	0.331		Well / Sta. Name:	SKYDWELLER 14 ST COM 607 PROD
CO2	0.6013	0.000	0.009		Sta. No.:	02336
Ethane	18.1223	319.706	0.188	4.845	Formation:	
H2S	0.2600	0.000	0.003		Field:	
Propane	11.5089	288.669	0.175	3.170	County:	
Iso-Butane	1.2601	40.849	0.025	0.412	Spot / Composite:	Spot
Butane	3.0353	98.711	0.061	0.957	Date / Time On:	
Iso-Pentane	0.7009	27.955	0.017	0.256	Date / Time Off:	04/24/24 09:29 AM
Pentane	0.6405	25.595	0.016	0.232	Date to Lab:	04/25/24
Hexanes C6+	0.9527	48.713	0.031	0.416	Date Analyzed:	04/25/24
H2O	0.0000	0.000	0.000		Sample Press. (PSIG):	108
Hydrogen	N/A				Line Press. (PSIG):	108
Helium	N/A				Sample Temp. (F):	108
Oxygen	N/A				Fl. Gas Temp. (F):	108
CO	N/A				Amb. Temp. (F):	74
Totals	100.0000	1452.012	0.887	10.288	Del. To:	
					Sampled By:	RO
					Cylinder No.:	AGL-183

Field H2O (#/mm):

Field H2S (PPM): 2,600.0
 Field H2S (Grains): 163.62

Pressure Base: 14.65**Temp. Base: 60**

Z Factor (Dry): 0.9946241

Z Factor (Act.): 0.9946241

Dry BTU (Real): 1459.86**Sat. BTU (Real): 1434.94****H2O (# / mmcf):****As Del. BTU (Real):****Sp. Gravity (Real): 0.8918**

Field Gravity:

Lab Gravitometer:

GPM Ethane+ (Real): 10.288**GPM Propane+ (Real): 5.443****GPM IC5+ (Real): 0.904**

GPA 2145 / 2172

Fld. Remarks:**Lab Remarks:**

FLARING SUMMARY

Battery	Date	Total Flare Vol (mcf)	Hrs Flared	Start		End	
Sky Dweller CTB	8/22/24	86	16	8/22/24	12:00 AM	8/22/24	04:00PM

The downstream generator did not process the full amount of delivered gas during the morning of 8/22/24 resulting in 86 mcf sent to flare. Adjustments to setpoints were implemented to mitigate. Unit undergoing maintenance.

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District IV
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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 377675

DEFINITIONS

Operator: LARIO OIL & GAS CO 301 S. Market St. Wichita, KS 67202	OGRID: 13089
	Action Number: 377675
	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 377675

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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	[30-025-51528] SKY DWELLER 14 STATE COM #607H
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	No
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 withing 300 feet from an occupied permanent residence, school, hospital, institution or church in existence	No

Equipment Involved	
Primary Equipment Involved	Other (Specify)
Additional details for Equipment Involved. Please specify	Bitcoin miner

Representative Compositional Analysis of Vented or Flared Natural Gas Please provide the mole percent for the percentage questions in this group.	
Methane (CH4) percentage	60
Nitrogen (N2) percentage, if greater than one percent	3
Hydrogen Sulfide (H2S) PPM, rounded up	2,600
Carbon Dioxide (C02) percentage, if greater than one percent	1
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 Sufide (H2S) PPM quality requirement	Not answered.
Carbon Dioxide (C02) percentage quality requirement	Not answered.
Oxygen (O2) percentage quality requirement	Not answered.

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QUESTIONS, Page 2

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QUESTIONS (continued)

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QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	08/22/2024
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	04:00 PM
Cumulative hours during this event	16

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 Generator Natural Gas Flared Released: 86 Mcf Recovered: 0 Mcf Lost: 86 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	[332407] CRUSOE ENERGY SYSTEMS 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	Downstream generator down for emergency maintenance.
Steps taken to limit the duration and magnitude of vent or flare	Facilities personnel adjusted production accordingly.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Maintenance ongoing to repair bitcoin unit.

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ACKNOWLEDGMENTS

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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

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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.	8/26/2024