

GAS VOLUME STATEMENT

Spur Energy

July, 2021

Meter #: 79410120
 Name: Lakewood 5 Fed 8H
 Closed Data
 Artesia-East

Pressure Base: 14.650 psia Temperature Base: 60.00 °F HV Cond: Meter Type: EFM Contract Hr.: 8 AM
 Status: In Service WV Technique:

| CO2 | N2 | H2O | H2S | O2 | He | C1 | C2 | C3 | I-C4 | N-C4 | I-C5 | N-C5 | C6+ |
|-------|-------|-------|--------|-------|-------|--------|--------|--------|-------|-------|-------|-------|-------|
| 6.067 | 5.675 | 0.000 | 1.9229 | 0.000 | 0.000 | 51.804 | 16.643 | 11.505 | 1.321 | 3.126 | 0.711 | 0.660 | 0.564 |

| Tube I.D. | Interval | Tap Location | Tap Type | Atmos. Pressure | Calc. Method | Fpv Method |
|-----------|----------|--------------|----------|-----------------|--------------|-------------|
| 3.068 in. | 1 Hour | Upstream | Flange | 12.900 psi | AGA3-1992 | AGA8-Detail |

| Day | Differential (In. H2O) | Pressure (psia) | Temperature (°F) | Hours Flow | Relative Density | Plate (inches) | Volume (Mcf) | Heating Value (Btu/scf) | Energy (MMBtu) | Edited |
|--------------|------------------------|-----------------|------------------|---------------|------------------|----------------|------------------|-------------------------|------------------|--------|
| 1 | 15.04 | 94.13 | 84.82 | 24.00 | 0.9279 | 2.000 | 826.65 | 1346.10 | 1,112.75 | No |
| 2 | 16.54 | 87.76 | 82.85 | 24.00 | 0.9279 | 2.000 | 835.24 | 1346.10 | 1,124.31 | No |
| 3 | 15.61 | 89.34 | 83.55 | 24.00 | 0.9279 | 2.000 | 824.19 | 1346.10 | 1,109.45 | No |
| 4 | 14.76 | 91.56 | 85.60 | 24.00 | 0.9279 | 2.000 | 809.27 | 1346.10 | 1,089.35 | No |
| 5 | 14.21 | 92.53 | 85.62 | 24.00 | 0.9279 | 2.000 | 804.29 | 1346.10 | 1,082.66 | No |
| 6 | 13.71 | 93.05 | 83.87 | 24.00 | 0.9279 | 2.000 | 797.61 | 1346.10 | 1,073.67 | No |
| 7 | 13.58 | 92.69 | 84.87 | 24.00 | 0.9279 | 2.000 | 792.80 | 1346.10 | 1,067.19 | No |
| 8 | 13.63 | 92.85 | 87.30 | 24.00 | 0.9279 | 2.000 | 792.75 | 1346.10 | 1,067.13 | No |
| 9 | 15.82 | 84.92 | 86.56 | 24.00 | 0.9279 | 2.000 | 806.29 | 1346.10 | 1,085.34 | No |
| 10 | 13.58 | 91.02 | 86.63 | 24.00 | 0.9279 | 2.000 | 784.87 | 1346.10 | 1,056.51 | No |
| 11 | 13.34 | 91.06 | 82.65 | 24.00 | 0.9279 | 2.000 | 780.78 | 1346.10 | 1,051.00 | No |
| 12 | 13.21 | 92.25 | 85.81 | 24.00 | 0.9279 | 2.000 | 778.28 | 1346.10 | 1,047.64 | No |
| 13 | 13.21 | 92.15 | 85.24 | 24.00 | 0.9279 | 2.000 | 778.64 | 1346.10 | 1,048.13 | No |
| 14 | 13.03 | 92.10 | 85.71 | 24.00 | 0.9279 | 2.000 | 773.58 | 1346.10 | 1,041.31 | No |
| 15 | 13.12 | 92.39 | 86.92 | 24.00 | 0.9279 | 2.000 | 773.68 | 1346.10 | 1,041.45 | No |
| 16 | 12.99 | 92.28 | 86.68 | 24.00 | 0.9279 | 2.000 | 771.57 | 1346.10 | 1,038.62 | No |
| 17 | 13.44 | 90.50 | 87.56 | 24.00 | 0.9279 | 2.000 | 773.77 | 1346.10 | 1,041.58 | No |
| 18 | 13.11 | 89.79 | 80.24 | 24.00 | 0.9279 | 2.000 | 768.13 | 1346.10 | 1,033.98 | No |
| 19 | 13.21 | 90.95 | 84.71 | 24.00 | 0.9279 | 2.000 | 772.19 | 1346.10 | 1,039.44 | No |
| 20 | 14.14 | 86.55 | 85.44 | 24.00 | 0.9279 | 2.000 | 776.62 | 1346.10 | 1,045.41 | No |
| 21 | 13.69 | 87.64 | 84.67 | 24.00 | 0.9279 | 2.000 | 770.48 | 1346.10 | 1,037.14 | No |
| 22 | 14.33 | 84.33 | 85.12 | 24.00 | 0.9279 | 2.000 | 771.89 | 1346.10 | 1,039.04 | No |
| 23 | 14.23 | 80.87 | 84.84 | 24.00 | 0.9279 | 2.000 | 758.09 | 1346.10 | 1,020.46 | No |
| 24 | 13.84 | 80.27 | 86.46 | 23.17 | 0.9279 | 2.000 | 717.29 | 1346.10 | 965.54 | No |
| 25 | 14.56 | 78.77 | 86.03 | 24.00 | 0.9279 | 2.000 | 754.81 | 1346.10 | 1,016.05 | No |
| 26 | 12.34 | 78.78 | 87.17 | 24.00 | 0.9279 | 2.000 | 693.35 | 1346.10 | 933.32 | No |
| 27 | 13.76 | 87.91 | 87.44 | 24.00 | 0.9279 | 2.000 | 770.77 | 1346.10 | 1,037.54 | No |
| 28 | 18.53 | 92.40 | 83.84 | 24.00 | 0.9279 | 2.000 | 927.84 | 1346.10 | 1,248.96 | No |
| 29 | 19.20 | 92.92 | 86.34 | 24.00 | 0.9279 | 2.000 | 944.69 | 1346.10 | 1,271.65 | No |
| 30 | 18.57 | 94.85 | 86.03 | 24.00 | 0.9279 | 2.000 | 939.39 | 1346.10 | 1,264.51 | No |
| 31 | 17.85 | 95.54 | 86.28 | 24.00 | 0.9279 | 2.000 | 924.31 | 1346.10 | 1,244.21 | No |
| TOTAL | 14.64 | 89.69 | 85.37 | 743.16 | 0.9279 | | 24,794.12 | | 33,375.37 | |

| Name of well or facility | Lat | Long | Daily Volume of Flared Natural Gas (MCF/D) | Commencement | Duration | Proposed Remedy |
|---|------------|--------------|--|--------------|------------|-----------------|
| SHELBY 23 TANK BATTERY | 32.636495 | -104.449015 | 1184 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY | 32.652839 | -104.478905 | 1326 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| LAKEWOOD FEDERAL COM NORTH BATTERY | 32.625808 | -104.469155 | 2085 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| LAKEWOOD FEDERAL COM SOUTH BATTERY | 32.608649 | -104.479201 | 1567 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY | 32.614416 | -104.478493 | 907 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| HUBER 10, 11, 12 FEDERAL OIL TANK BATTERY | 32.610648 | -104.472851 | 725 MCF/D | 10/7/2021 | Continuous | ACO Requested |
| SHORTY 2 STATE COM TANK BATTERY | 32.8653287 | -103.9504986 | 1099 MCF/D | 10/7/2021 | Continuous | Gas Rerouted |
| MORRIS BOYD TANK BATTERY | 32.64057 | -104.45889 | 1362 MCF/D | 10/7/2021 | Continuous | Gas Rerouted |
| GOODMAN 22 TANK BATTERY | 32.64524 | -104.47354 | 1439 MCF/D | 10/7/2021 | Continuous | Gas Rerouted |
| B&B ROSS RANCH OIL TANK BATTERY | 32.648341 | -104.479356 | 445 MCF/D | 10/7/2021 | Continuous | Gas Rerouted |

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

QUESTIONS

Action 55219

QUESTIONS

| | |
|---|--|
| Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024 | OGRID: 328947 |
| | Action Number: 55219 |
| | 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 | Not answered. |
| Incident Facility | [fAPP2123533422] Lakewood Federal Com North Tank Battery |

| | |
|--|---|
| 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 or is this venting and/or flaring caused by an emergency or malfunction | No |
| Did or will this venting and/or flaring last eight hours or more cumulatively within any 24-hour period from a single event | Yes |
| Is this considered a submission for a venting and/or flaring event | Yes, major 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 or will there be at least 50 MCF of natural gas vented and/or flared during this event | Yes |
| Did this venting and/or flaring 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 venting and/or flaring 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 | 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 | 52 |
| Nitrogen (N2) percentage, if greater than one percent | 6 |
| Hydrogen Sulfide (H2S) PPM, rounded up | 19,229 |
| Carbon Dioxide (CO2) percentage, if greater than one percent | 6 |
| 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. |

| | |
|---|------------|
| Date(s) and Time(s) | |
| Date venting and/or flaring was discovered or commenced | 10/07/2021 |
| Time venting and/or flaring was discovered or commenced | 12:00 AM |
| Time venting and/or flaring 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: Pipeline Quality Specifications Other (Specify) Natural Gas Flared Released: 2,085 Mcf Recovered: 0 Mcf Lost: 2,085 Mcf] |
| Other Released Details | Not answered. |
| Additional details for Measured or Estimated Volume(s). Please specify | flare stack |
| 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 or is this venting and/or flaring a result of downstream activity | Not answered. |
| Was notification of downstream activity received by you or your operator | Not answered. |
| Downstream OGRID that should have notified you or your operator | Not answered. |
| Date notified of downstream activity requiring this venting and/or flaring | Not answered. |
| Time notified of downstream activity requiring this venting and/or flaring | Not answered. |

Steps and Actions to Prevent Waste

| | |
|--|--|
| For this event, the operator could not have reasonably anticipated the current event and it was beyond the operator's control. | True |
| Please explain reason for why this event was beyond your operator's control | 3rd party take away refusal due to capacity restraints. |
| Steps taken to limit the duration and magnitude of venting and/or flaring | Executed contract with midstream company to gather gas by 12/1/2021. |
| Corrective actions taken to eliminate the cause and reoccurrence of venting and/or flaring | Executed contract with midstream company to gather gas by 12/1/2021. |

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CONDITIONS
 Action 55219

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CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| schapman01 | 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. | 10/12/2021 |