Accounting Date: Jun 1, 2022 Production Date: May 2022 Pressure Base: 14.65

FFS SYSTEM

US ENERGY DEVELOPMENT CORPORATION Attention: HIGHPOINT ENERGY SERVICES LLC, AGENT BA #: 101160
PO BOX 4287
CHATTANOOGA, TN 37405

Meter Name: TEXACO FEDERAL 14 Contract: 1669 Meter Split: 100.00

Meter #: 6075145

	ď.	Physical Information	ation						Settlement Information	tion			
Volumes			Analysis			Plant Products		The second second	Section 1		RESIDENCE OF THE PERSON NAMED IN		
	Mcf	MMBtu	Description	GPM	Mol	Description	Settle Unit	Basis Quantity	Allocated Quantity	Producer %	Settle Quantity	Price	Value
Gross Wellhead	1,115.56	1,452.46	co2		2,1610	Ethane	gal	3,458.67	1,922.56	40.00	769 02	0.453378	348,66
Net Wellhead	1,115,56	1,452,46 h2s	h2s		0.1000	Propane	gal	2,027.74	1,812.02	40.00	724.81	1.079717	782,59
Fuel	93.67	102.85	c1		69.1210	Isobutane	ga	331.79	295,47	40.00	118.19	1.562455	184.66
Shrink	187,08	466,20	c2	3,367	12,6070	Normal Butane	gal	894.71	786.43	40.00	314.57	1.362604	428,63
Residue Sale	766.06	788.77	63	1,974	7.1730	Isopentane	gal	269.13	211.03	40.00	84.41	2.018735	170.40
Wellhead BTU			<u>'</u> <u>2</u>	0.323	0.9910	Normal Pentane	gal	243.45	180.16	9 40.00	72.06	2.018735	145.47
1,302,00			nc4	0.871	2.7660	Hexane	gal	381.10	158.12	40.00	63.25	2.018735	127.68
-			ic5	0.262	0.7190	Total			5,365.79		2,146.31		2,188.09
			nc5	0.237	0.6560	Residue Gas	The second second		Salar Salar		40000		
			90	0.371	0.8500	Description	Settle Unit	Allocated Quantity	antity Producer %	H	Settle Quantity	Price	Value
			ŧ		2.8560	Residue	mmbtu		788.77	75.00	591,58	6.508729	3,850,42
			Total	7.405	100.0000	Total			788.77		591.58		3,850.42
						Fees	No. of Lot						ACRES OF
						۵	Description	Ľ	Fee Unit Fe	Fee Quantity	Fee Rate	Fee	Fee Value
						Off_spec_H2s			mcf	1,115,56	0.091082	32	101.61
						Allocated Electricity Fuel	ity Fuel		mmbtu	1,452.46	0 094944	4	137.90

Total Producer Payment: 5,799.00

239.51

Total

For Questions Contact:

Commercial

Marketing@durangomidstream.com
(346) 351-2786

Division of InterestRevenueAccounting@durangomidstream.com (346) 351-2786

Plant Accounting RevenueAccounting@durangomidstream.com (346) 351-2786

WATERFIELD ENERGY

By:

DURANGO

Date

TEXACO 14 FEDERAL FLARE METER: 305

All gas is measured through a check meter at the flare.

These are actual volumes, not estimates

,				
		Gas Flowed	Hours Flowed	Comments
	5/28/2022	15	8:00	Flared due to high gas line static pressure due to issues at gas plant.
	5/29/2022	33	12:00	Flared due to high gas line static pressure due to issues at gas plant.
	5/30/2022	25	14:00	Flared due to high gas line static pressure due to issues at gas plant.
	5/31/2022	26	15:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/1/2022	23	14:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/2/2022	36	16:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/3/2022	40	22:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/4/2022	41	22:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/5/2022	4.4	2:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/6/2022	19.2	10:00	Flared due to high gas line static pressure due to issues at gas plant.
	6/7/2022	22.5	10:00	Flared due to high gas line static pressure due to issues at gas plant.
		285.1		

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

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 123520

DEFINITIONS

Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	123520
	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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1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 **District IV**

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 123520

QI	UESTIONS	
Operator:		OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION		372759
1521 N. Cooper St. Arlington, TX 76011		Action Number: 123520
		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 t	these issues before continuing wit	th the rest of the questions.
Incident Well	[30-025-29378] TEXACO 14	4 FEDERAL #001
Incident Facility	Not answered.	
Determination of Reporting Requirements		
Answer all questions that apply. The Reason(s) statements are calculated based on your answers ar		:
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, answer to "eight hou	rs or more" suggests this is at least a minor event.
An operator shall file a form C-141 instead of a form C-129 for a release that, includes liquid during v	enting 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	No	•
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	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. Methods (CHA) percentage	00	
Methane (CH4) percentage	69	
Nitrogen (N2) percentage, if greater than one percent	3	
Hydrogen Sulfide (H2S) PPM, rounded up	3,414	
Carbon Dioxide (C02) percentage, if greater than one percent	2	
Oxygen (02) percentage, if greater than one percent	0	
If you are venting and/or flaring because of Pipeline Specification, please provide the required spec	ifications 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 (02) percentage quality requirement	Not answered.	
1	i e	

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS, Page 2

Action 123520

QUESTIONS (CONTINUED)	QUESTIONS ((continued)	١
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Operator:	OGRID:
U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
Arlington, TX 76011	123520
	Action Type:
	[C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	06/04/2022
Time vent or flare was discovered or commenced	12:00 AM
Time vent or flare was terminated	10:00 PM
Cumulative hours during this event	22

easured 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 Producing Well Natural Gas Flared Released: 41 Mcf Recovered: 0 Mcf Lost: 41 Mcf]
Other Released Details	Not answered.
Additional details for Measured or Estimated Volume(s). Please specify	Flared volumes were metered
ls 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	[221115] FRONTIER FIELD SERVICES, 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	The gas plant where this gas goes is operated by Durango Midstream. They have been having compressor problems for the last month, which causes our static pressure at the well to go up, thus sending gas to flare.
Steps taken to limit the duration and magnitude of vent or flare	The flaring is intermittent, not full time. Since this is a downstream third party issue, there isn't much we can do to limit duration or magnitude short of shutting in the well.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Durango is working on their compressor problems

ACKNOWLEDGMENTS

Action 123520

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

ACKNOWLEDGMENTS

V	I acknowledge that I am authorized to submit a Venting and/or Flaring (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.
V	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.
V	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.
V	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.
V	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 123520

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U.S. ENERGY DEVELOPMENT CORPORATION	372759
1521 N. Cooper St.	Action Number:
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	[C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
caniello	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.	7/7/2022