Certificate of Analysis

Number: 6030-22080365-001A

Artesia Laboratory
200 E Main St.
Artesia, NM 88210
Phone 575-746-3481

Bodie Grady
USA Compression
3210 FM-715
Midland, TX 79706

Aug. 25, 2022

Station Name:	Lost Tanks	Sampled By:	Bryan Cochran
Station Location:	USA Compressions	Sample Of:	Gas Spot
Sample Point:	Suction Meter Run	Sample Date:	08/23/2022
Instrument:	6030_GC6 (Inficon GC-3000 Micro)	Sample Conditions:	97 psig, @ 65 °F Ambient: 82 °F
Last Inst. Cal.:	08/22/2022 0:00 AM	Effective Date:	08/23/2022
Analyzed:	08/25/2022 06:38:52 by KNF	Method:	GPA-2261M
		Cylinder No:	5030-02649

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	18.50000	24.541		GPM TOTAL C2+	6.873
Nitrogen	1.364	1.10352	1.203		GPM TOTAL C3+	3.648
Methane	69.688	56.37948	35.205		GPM TOTAL iC5+	0.736
Carbon Dioxide	0.169	0.13681	0.234			
Ethane	14.831	11.99863	14.043	3.225		
Propane	8.363	6.76583	11.612	1.874		
Iso-butane	1.079	0.87302	1.975	0.287		
n-Butane	2.928	2.36900	5.359	0.751		
Iso-pentane	0.662	0.53590	1.505	0.197		
n-Pentane	0.800	0.64698	1.817	0.236		
Hexanes Plus	0.854	0.69083	2.506	0.303		
	100.738	100.00000	100.000	6.873		

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8915	3.2176
Calculated Molecular Weight	25.69	93.19
Compressibility Factor	0.9947	
GPA 2172 Calculation:		
Calculated Gross BTU per ft³ @ 14.73 psia & 60°F		
Real Gas Dry BTU	1268	5141
Water Sat. Gas Base BTU	1244	5052
Ideal, Gross HV - Dry at 14.73 psia	1261.3	5141.1
Ideal, Gross HV - Wet	1236.9	5051.6

Comments: H2S Field Content 18.5 %

Hydrocarbon Laboratory Manager

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

EVENT SPECIFIC JUSTIFICATIONS FORM

Well: DR PI FEDERAL UNIT 17 8 DA #031H

Start Date: 09/09/2022 **End Date:** 09/09/2022

Cause: Drilling/Flowback Activity > Valve failure

Duration of event: 8.5 hours **MCF Volume Flared:** 378

Method of Flared Gas Measurement: Engineering Estimate based on known volume of oil based mud during drilling activities.

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1. Reason why this event was beyond Operator's control:

During standard drilling/flowback operations, Oxy personnel were required to bleed pressure off the annulus at the DR PI FEDERAL UNIT 17 8 DA #031H well. A ball valve/needle valve on the intermediate casing was used to perform this activity. This valve failed, leading to the incident. Once the valve failed, it quickly became unsafe to be in the area of the release, so all personnel were cleared from the pad. In order to shut in the well, a 3rd party well control company had to come in and uncover the buried master valve. This requires specialty equipment and training to complete the job safely. Please note that it is standard practice to have a buried cellar to house the master valve.

2. Steps Taken to limit duration and magnitude of venting or flaring:

Immediately after the valve failure, it quickly became unsafe to be in the area of the release and all personnel were cleared from the pad. In order to properly shut in the well, a 3rd party well control company had to come in and uncover the buried master valve. This requires specialty equipment and training to complete the job safely. All proper notifications were made quickly, which allowed us to get the 3rd party on site quickly to contain the release and minimize environmental impact.

3. Corrective Actions taken to eliminate the cause and reoccurrence of venting or flaring:

A new set up has been installed on this well to safely bleed down pressure from the intermediate casing with multiple layers of protection. There are new ball valves, choke valves and the master valve has been dug out. This new set up will be utilized in the future when this procedure needs to be completed.

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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

DEFINITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 145268
	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 145268

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 145268
	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	**[30-025-49147] DR PI FEDERAL UNIT 17 8 DA #031H**
Incident Facility	*Not answered.*

Determination of Reporting Requirements	
Answer all questions that apply. The Reason(s) statements are calculated based on your answers and may provide addional 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 withing 300 feet from an occupied permanent residence, school, hospital, institution or church in existence	No

Equipment Involved	
Primary Equipment Involved	Valve
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	70
Nitrogen (N2) percentage, if greater than one percent	1
Hydrogen Sulfide (H2S) PPM, rounded up	0
Carbon Dioxide (C02) percentage, if greater than one percent	0
Oxygen (02) 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 (02) percentage quality requirement	*Not answered.*

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QUESTIONS (continued)

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 145268
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	09/09/2022
Time vent or flare was discovered or commenced	11:00 AM
Time vent or flare was terminated	07:26 PM
Cumulative hours during this event	8

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	Cause: Equipment Failure | Valve | Natural Gas Vented | Released: 378 Mcf | Recovered: 0 Mcf | Lost: 378 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	No
Was notification of downstream activity received by this operator	*Not answered.*
Downstream OGRID that should have notified this operator	*Not answered.*
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	During standard drilling/flowback operations, Oxy personnel were required to bleed pressure off the annulus at the DR PI FEDERAL UNIT 17 8 DA #031H well. A ball valve/needle valve on the intermediate casing was used to perform this activity. This valve failed, leading to the incident. Once the valve failed, it quickly became unsafe to be in the area of the release, so all personnel were cleared from the pad. In order to shut in the well, a 3rd party well control company had to come in and uncover the buried master valve. This requires specialty equipment and training to complete the job safely. Please note that it is standard practice to have a buried cellar to house the master valve.
Steps taken to limit the duration and magnitude of vent or flare	Immediately after the valve failure, it quickly became unsafe to be in the area of the release and all personnel were cleared from the pad. In order to properly shut in the well, a 3rd party well control company had to come in and uncover the buried master valve. This requires specialty equipment and training to complete the job safely. All proper notifications were made quickly, which allowed us to get the 3rd party on site quickly to contain the release and minimize environmental impact.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	A new set up has been installed on this well to safely bleed down pressure from the intermediate casing with multiple layers of protection. There are new ball valves, choke valves and the master valve has been dug out. This new set up will be utilized in the future when this procedure needs to be completed.

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ACKNOWLEDGMENTS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 145268
	Action Type: [C-129] Venting and/or Flaring (C-129)

ACKNOWLEDGMENTS

☑	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.
☑	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 145268

CONDITIONS

Operator:	OGRID:
OXY USA INC P.O. Box 4294 Houston, TX 772104294	16696
	Action Number: 145268
	Action Type: [C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
shelbyschoepf	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.	9/21/2022