Certificate of Analysis

Number: 6030-24091009-001A

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

Chandler Montgomery
Occidental Petroleum
1502 W Commerce Dr.
Carlsbad, NM 88220

Field:	PERMIAN_RESOURCES	Report Date:	10/01/2024
Station Name:	Precious CTB Train 2 Check (FMP)	Sampled By:	JE
Station Number:	17622C	Sample Of:	Gas Spot
Station Location:	OP-DELSE-BT001	Sample Date:	09/26/2024 13:20
Sample Point:	Meter	Sample Conditions:	93 psig, @ 98 °F Ambient: 91 °F
Property ID:	FMP/LSE NMNM021640	Received Date:	09/27/2024
Formation:	NEW_MEXICO	Login Date:	09/27/2024
County:		Effective Date:	09/26/2024 13:20
Well Name:	CTB	Flow Rate:	29099 MSCFD
Type of Sample: :	Spot-Cylinder	Method:	GPA-2261M
Heat Trace Used:	N/A	Cylinder No:	1111-006946
Sampling Method: :	Fill and Purge	Instrument:	70142339 (Inficon GC-MicroFusion)
Sampling Company: :	OXY	Last Inst. Cal.:	09/30/2024 0:00 AM
		Analyzed:	10/01/2024 07:26:38 by CDW

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.65 psia
Hydrogen Sulfide	0.0000	0.0000	0.0000	
Nitrogen	1.7253	1.7041	2.0874	
Carbon Dioxide	1.0578	1.0448	2.0106	
Methane	73.9778	73.0679	51.2561	
Ethane	12.5600	12.4055	16.3110	3.313
Propane	6.5193	6.4391	12.4156	1.771
Iso-Butane	0.9178	0.9065	2.3039	0.296
n-Butane	2.3489	2.3200	5.8963	0.730
Iso-Pentane	0.5471	0.5404	1.7049	0.197
n-Pentane	0.6197	0.6121	1.9311	0.222
Hexanes	0.4167	0.4116	1.5510	0.169
Heptanes	0.3668	0.3623	1.5874	0.167
Octanes	0.1597	0.1577	0.7877	0.081
Nonanes Plus	0.0283	0.0280	0.1570	0.016
	101.2452	100.0000	100.0000	6.962

Calculated Physical Properties	Total	C9+
Calculated Molecular Weight	22.87	128.26
Compressibility Factor	0.9958	
Relative Density Real Gas	0.7927	4.4283
GPA 2172 Calculation:		
Calculated Gross BTU per ft³ @ 14.65 psia & 60°F		
Real Gas Dry BTU	1323.6	6974.4
Water Sat. Gas Base BTU	1301.0	6852.4
Ideal, Gross HV - Dry at 14.65 psia	1318.0	6944.9
Ideal, Gross HV - Wet	1295.0	6820.4

Comments: H2S Field Content: 0 ppm

Mostafa Ahmadi

Hydrocarbon Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated. The test results apply to the sample as received.

UPSET FLARING EVENT SPECIFIC JUSTIFICATIONS FORM

Facility: Precious NC 31 CTB

Flare Date: 12/21/2024

Duration of Event: 7 Hours

MCF Flared: 71

Start Time: 01:40 PM

End Time: 08:40 PM

Cause: Emergency Flare > Equipment Malfunction > HP VRU

Method of Flared Gas Measurement: Gas Flare Meter

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

The emissions were caused by the sudden, unavoidable breakdown of equipment or process that was beyond the owner/operator's control and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and maintenance practices. Internal Oxy procedures ensure that upon a sudden and unexpected flaring event, production techs are promptly notified and are instructed to assess the issue as soon as possible to take prompt corrective action and minimize emissions. In this situation, intermittent flaring occurred due to high pressure VRU 1 and 3, which experienced sudden and unexpected malfunction shutdowns caused by elevated discharge pressure. This was a result of new flowback wells producing significant amounts of gas and the total flow meter being over-ranged due to an over-ranged orifice plate. Consequently, this caused back pressure on the unit, leading to shutdowns due to high discharge pressure. To mitigate the risks associated with overpressure and to ensure the safety of our operations, we have had to resort to controlled and safety flaring. This process allows us to safely burn off the excess gas, thereby preventing potential hazards such as equipment damage, leaks, or even explosions. While flaring is not Oxy's preferred method of handling excess gas, it is a necessary step under these exceptional circumstances to maintain the integrity and safety of our operations.

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

This facility is unmanned, except when Oxy production techs are gathering data daily or conducting daily walk-throughs to ensure that there are no problems, circumstances and/or assist other personnel on-site for maintenance purposes. It is OXY's policy to route its stranded gas to a flare during an unforeseen and unavoidable emergency or malfunction, as the part of the overall process or steps to take to limit duration and magnitude of flaring. Oxy personnel are in the field 24/7 and can physically see when we are flaring which in turn are communicated to additional Oxy field personnel. Internal OXY procedures ensure that upon notice or communication of flaring, field production technician personnel are promptly notified, and are instructed to assess the issue as soon as possible to take prompt corrective action and minimize emissions. Oxy production technicians must assess whether the issue or circumstance is due to damage and repair is needed, or whether there are other reasons for its cause. It is OXY's policy to route its stranded gas to a flare during an unforeseen and unavoidable emergency or malfunction, that is beyond Oxy's control to avoid, prevent or foresee, to minimize emissions as much as possible as part of the overall steps taken to limit duration and magnitude of flaring. In this situation, intermittent flaring occurred due to high pressure VRU 1 and 3, which experienced sudden and unexpected malfunction shutdowns caused by elevated discharge pressure. This was a result of new flowback wells producing significant amounts of gas and the total flow meter being over-ranged due to an over-ranged orifice plate. Consequently, this caused back pressure on the unit, leading to shutdowns due to high discharge pressure. The

Oxy production technician attempted to troubleshoot the VRUs to identify the cause but was unable to do so. Therefore, a VRU mechanic was requested to resolve the issue, and a gas measurement technician was called to replace the orifice plate with a larger one. During the process of identifying the cause of the alarm malfunctions, the Cimmaron mechanic needed to review, inspect, shut down, and restart the unit multiple times. There were brief intermittent instances of flaring when the third-party VRU mechanic from Cimmaron periodically shut down the unit to perform the repair work. The minimal amount of gas flow allowed to be flare was done out of necessity to protect personnel and equipment as a safeguard.

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

Oxy is limited in its corrective actions to eliminate the cause and potential reoccurrence of a malfunctioning VRU, as notwithstanding proper VRU, design and operation, whether low- or high-pressure, various forms of mechanical or technical issues can be sudden, reasonably unforeseeable and unexpected which can cause equipment malfunctions to occur without warning or advance notice, especially during severe weather conditions. OXY makes every effort to control and minimize emissions as much as possible during these circumstances. The limited actions that Oxy can do in this circumstance is to submit a work order for repair, work with its equipment maintenance team to have the issue resolved in a timely manner and continue monitoring the equipment until its repair and restoration to normal operations is complete.

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
https://www.emnrd.nm.gov/ocd/contact-us

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: 417013
	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 417013

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 417013
	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	*Unavailable.*
Incident Facility	**[fAPP2126657195] PRECIOUS CTB**

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	No
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	Emergency Flare > Equipment Malfunction > HP VRU

Representative Compositional Analysis of Vented or Flared Natural Gas	
Please provide the mole percent for the percentage questions in this group.	
Methane (CH4) percentage	71
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: 417013
	Action Type: [C-129] Venting and/or Flaring (C-129)

QUESTIONS

Date(s) and Time(s)	
Date vent or flare was discovered or commenced	12/21/2024
Time vent or flare was discovered or commenced	01:40 PM
Time vent or flare was terminated	08:40 PM
Cumulative hours during this event	7

Measured or Estimated Volume of Vented or Flared Natural Gas	
Natural Gas Vented (Mcf) Details	*Not answered.*
Natural Gas Flared (Mcf) Details	Cause: Other | Other (Specify) | Natural Gas Flared | Released: 71 Mcf | Recovered: 0 Mcf | Lost: 71 Mcf.
Other Released Details	*Not answered.*
Additional details for Measured or Estimated Volume(s). Please specify	Gas Flare Meter
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	The emissions were caused by the sudden, unavoidable breakdown of equipment or process that was beyond the owner/operator's control and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and maintenance practices. Internal Oxy procedures ensure that upon a sudden and unexpected flaring event, production techs are promptly notified and are instructed to assess the issue as soon as possible to take prompt corrective action and minimize emissions. In this situation, intermittent flaring occurred due to high pressure VRU 1 and 3, which experienced sudden and unexpected malfunction shutdowns caused by elevated discharge pressure. This was a result of new flowback wells producing significant amounts of gas and the total flow meter being over-ranged due to an over-ranged orifice plate. Consequently, this caused back pressure on the unit, leading to shutdowns due to high discharge pressure. To mitigate the risks associated with overpressure and to ensure the safety of our operations, we have had to resort to controlled and safety flaring. This process allows us to safely burn off the excess gas, thereby preventing potential hazards such as equipment damage, leaks, or even explosions. While flaring is not Oxy's preferred method of handling excess gas, it is a necessary step under these exceptional circumstances to maintain the integrity and safety of our operations.
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Steps taken to limit the duration and magnitude of vent or flare	stranded gas to a flare during an unforeseen and unavoidable emergency or malfunction, as the part of the overall process or steps to take to limit duration and magnitude of flaring. Oxy personnel are in the field 24/7 and can physically see when we are flaring which in turn are communicated to additional Oxy field personnel. Internal OXY procedures ensure that upon notice or communication of flaring, field production technician personnel are promptly notified, and are instructed to assess the issue as soon as possible to take prompt corrective action and minimize emissions. Oxy production technicians must assess whether the issue or circumstance is due to damage and repair is needed, or whether there are other reasons for its cause. It is OXY's policy to route its stranded gas to a flare during an unforeseen and unavoidable emergency or malfunction, that is beyond Oxy's control to avoid, prevent or foresee, to minimize emissions as much as possible as part of the overall steps taken to limit duration and magnitude of flaring. In this situation, intermittent flaring occurred due to high pressure VRU 1 and 3, which experienced sudden and unexpected malfunction shutdowns caused by elevated discharge pressure. This was a result of new flowback wells producing significant amounts of gas and the total flow meter being over-ranged due to an over-ranged orifice plate. Consequently, this caused back pressure on the unit, leading to shutdowns due to high discharge pressure.
Corrective actions taken to eliminate the cause and reoccurrence of vent or flare	Oxy is limited in its corrective actions to eliminate the cause and potential reoccurrence of a malfunctioning VRU, as notwithstanding proper VRU, design and operation, whether low- or high-pressure, various forms of mechanical or technical issues can be sudden, reasonably unforeseeable and unexpected which can cause equipment malfunctions to occur without warning or advance notice, especially during severe weather conditions. OXY makes every effort to control and minimize emissions as much as possible during these circumstances. The limited actions that Oxy can do in this circumstance is to submit a work order for repair, work with its equipment maintenance team to have the issue resolved in a timely manner and continue monitoring the equipment until its repair and restoration to normal operations is complete.

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ACKNOWLEDGMENTS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 417013
	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

Operator:	OGRID:
OXY USA INC P.O. Box 4294 Houston, TX 772104294	16696
	Action Number: 417013
	Action Type: [C-129] Venting and/or Flaring (C-129)

CONDITIONS

Created By	Condition	Condition Date
marialuna2	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.	1/5/2025