

Certificate of Analysis

Number: 6030-22060346-001A

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

Jimmy Smith Americo 7575 San Felipe Houston, TX 77063

June 28, 2022

Station Name: Stiletto 6 State 5H

Station Number: 100-107 Station Location: Americo Sample Point: Meter Run

6030_GC6 (Inficon GC-3000 Micro) Instrument: Last Inst. Cal.:

Analyzed:

06/28/2022 08:40:01 by ERG

06/27/2022 0:00 AM

Sampled By:

Sample Of:

GR

Sample Date:

Gas Spot 06/24/2022 01:30

Sample Conditions: 26.8 psig, @ 115 °F Ambient: 98 °F Effective Date: 06/24/2022 01:30

Method:

GPA-2261M

Cylinder No:

1111-007218

Analytical Data

| Components U | n-normalized Mol % | Mol. % | Wt. % | GPM at 14.696 psia | | |
|--|---|---|--|--|--|-------------------------|
| Hydrogen Sulfide Nitrogen Methane Carbon Dioxide Ethane Propane Iso-butane n-Butane Iso-pentane n-Pentane Hexanes Plus | 0.000 1.986 68.386 2.514 13.176 7.199 1.146 2.484 0.863 0.656 1.474 | 3.00000 1.92836 66.41164 2.44102 12.79533 6.99151 1.11281 2.41266 0.83798 0.63735 1.43134 | 4.145 2.190 43.189 4.355 15.596 12.497 2.622 5.684 2.451 1.864 5.407 | 3.430 1.931 0.365 0.762 0.307 0.232 0.626 7.653 | GPM TOTAL C2+ GPM TOTAL C3+ GPM TOTAL iC5+ | 7.653 4.223 1.165 |
| Calculated Physical Pro Relative Density Real Gas Calculated Molecular Wei Compressibility Factor GPA 2172 Calculation: Calculated Gross BTU p Real Gas Dry BTU Water Sat. Gas Base BTU Ideal, Gross HV - Dry at 1 Ideal, Gross HV - Wet Comments: H2S Field C | ght e r ft³ @ 14.696 p J 4.696 psia | Total 0.8556 24.67 0.9951 esia & 60°F 1346 1323 1339.6 1315.9 | | C6+ 3.2176 93.19 5129 5040 5129.2 5039.7 | | |

Hydrocarbon Laboratory Manager

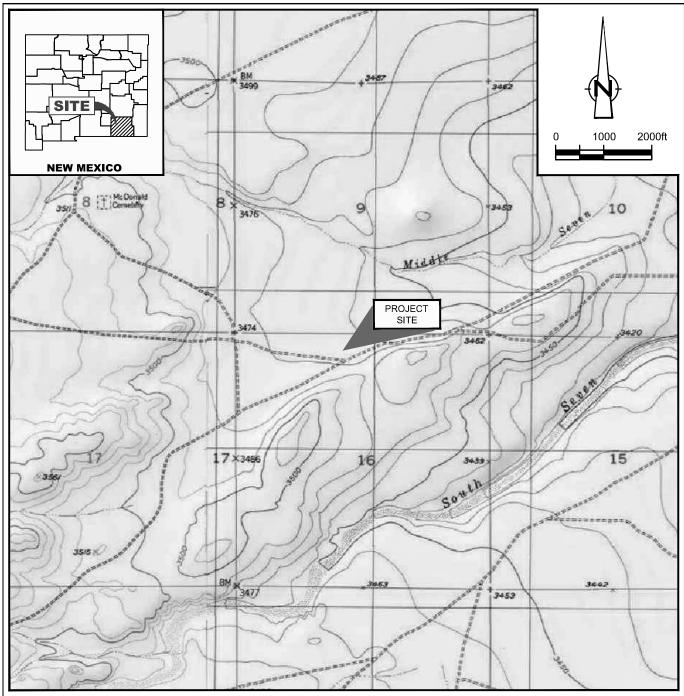
Quality Assurance:

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

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Page 1 of 1

| Date | Gas_Meter (MSCF/D) |
|-----------|--------------------|
| 4/1/2025 | 140 |
| 4/2/2025 | 138 |
| 4/3/2025 | 142 |
| 4/4/2025 | 153 |
| 4/5/2025 | 144 |
| 4/6/2025 | 149 |
| 4/7/2025 | 91 |
| 4/8/2025 | 100 |
| 4/9/2025 | 142 |
| 4/10/2025 | 140 |
| 4/11/2025 | 143 |
| 4/12/2025 | 142 |
| 4/13/2025 | 143 |
| 4/14/2025 | 113 |
| 4/15/2025 | 153 |
| 4/16/2025 | 138 |
| 4/17/2025 | 144 |
| 4/18/2025 | 149 |
| Average | 137 |



SOURCE: USGS 7.5 MINUTE QUAD
"SEVEN RIVERS AND FOSTER RANCH, NEW MEXICO"

LAT/LONG: 32.5799° NORTH, 104.4912° WEST COORDINATE: NAD83 DATUM, U.S. FOOT STATE PLANE ZONE - NEW MEXICO EAST

Figure 1

SITE LOCATION MAP STILETTO 16B SEVEN RIVERS, NEW MEXICO *EmKey Companies*



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No. (For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

| A. Applicant Americo Energy, LLC | | | | |
|--|--|--|--|--|
| whose address is | | | | |
| hereby requests an exception to Rule 19.15.18.12 for days or until | | | | |
| JULY 1, Yr2025_, for the following described tank battery (or LACT): | | | | |
| Name of Lease _ <u>Stiletto 16 State</u> Name of Pool _ <u>N, Seven Rivers; Glorieta-Yeso</u> | | | | |
| Location of Battery: Unit Letter <u>C</u> Section <u>16</u> Township <u>20S</u> Range <u>25E</u> | | | | |
| Number of wells producing into battery <u>3</u> <u>30-015-40194</u> , <u>30-015-42661 and 30-015-42807</u> | | | | |
| B. Based upon oil production ofbarrels per day, the estimated * volume | | | | |
| of gas to be flared isMCF; Valueper day. | | | | |
| C. Name and location of nearest gas gathering facility: | | | | |
| Stiletto 16 State#4, 32.5762291, -104.495079 NAD83 | | | | |
| D. Distance <u>0.5 mile</u> Estimated cost of connection <u>already connected</u> | | | | |
| E. This exception is requested for the following reasons: <u>non-economic gas price.</u> | | | | |
| | | | | |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation OIL CONSERVATION DIVISION | | | | |
| Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Approved Until | | | | |
| Signature By | | | | |
| Printed Name & Title: Vallid Sabzevari, Production Eng. Title | | | | |
| E-mail Address: vahid.sabzevari@americoenergy.com Date | | | | |
| Date 12/11/2024 Telephone No. 713.984.9700 | | | | |

^{*} Gas-Oil ratio test may be required to verify estimated gas volume.

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

Action 452724

DEFINITIONS

| Operator: | OGRID: |
|------------------------------|--|
| AMERICO ENERGY RESOURCES LLC | 228051 |
| 7575 San Felipe | Action Number: |
| Houston, TX 77063 | 452724 |
| | 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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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 452724

| Q | UESTIONS | |
|--|--------------------------------------|---|
| Operator: AMERICO ENERGY RESOURCES LLC 7575 San Felipe Houston, TX 77063 | | OGRID: 228051 Action Number: 452724 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 | [30-015-40194] STILETTO | 16 STATE #007H |
| Incident Facility | Unavailable. | |
| Potential of Post disc Pos | | |
| Determination of Reporting Requirements | nd may provide addianal avidance | |
| 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 | | |
| · | 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 vi | 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 | 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 | 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. | | |
| Methane (CH4) percentage | 69 | |
| Nitrogen (N2) percentage, if greater than one percent | 2 | |
| Hydrogen Sulfide (H2S) PPM, rounded up | 2 | |
| 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 speci | 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. | |

Not answered.

Oxygen (02) percentage quality requirement

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QUESTIONS, Page 2

Action 452724

| QUESTI | ONS (continued) | |
|--|---|--|
| Operator: | OGRID: | |
| AMERICO ENERGY RESOURCES LLC 7575 San Felipe | 228051 Action Number: | |
| Houston, TX 77063 | 452724 | |
| | Action Type: [C-129] Venting and/or Flaring (C-129) | |
| QUESTIONS | 1 12 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 | |
| Date(s) and Time(s) | | |
| Date vent or flare was discovered or commenced | 04/17/2025 | |
| Time vent or flare was discovered or commenced | 12:00 AM | |
| Time vent or flare 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: Other Production Tank Natural Gas Flared Released: 150 Mcf Recovered: 0 Mcf Lost: 150 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 | No | |
| Was notification of downstream activity received by this operator | Not answered. | |
| Downstream OGRID that should have notified this operator | Not answered. Not answered. | |
| Date notified of downstream activity requiring this vent or flare | Not answered. 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 | Non-economic gas price | |
| Steps taken to limit the duration and magnitude of vent or flare | shut-in oil producers | |
| Corrective actions taken to eliminate the cause and reoccurrence of vent or flare | unanticipated event. | |

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ACKNOWLEDGMENTS

Action 452724

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| Operator: | OGRID: |
|------------------------------|--|
| AMERICO ENERGY RESOURCES LLC | 228051 |
| 7575 San Felipe | Action Number: |
| Houston, TX 77063 | 452724 |
| | Action Type: |
| | [C-129] Venting and/or Flaring (C-129) |

ACKNOWLEDGMENTS

| V | 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. |
|---|---|
| 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 452724

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| Operator: | OGRID: |
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| AMERICO ENERGY RESOURCES LLC | 228051 |
| 7575 San Felipe | Action Number: |
| Houston, TX 77063 | 452724 |
| | Action Type: |
| | [C-129] Venting and/or Flaring (C-129) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|-------------------|
| vsabzevari | 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. | 4/18/2025 |