



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

April 12, 1993

Mr. Bud Crane
Dugan Production Corporation
PO Box 420
Farmington, NM 87499-0420

RE: Blackrock Federal B #1, L-08-26N-11W
Blackrock Federal B #2, J-08-26N-11W

Dear Bud:

Field inspections conducted on April 8, 1993 revealed that the above mentioned pit has been replaced with a below grade netted fiberglass tank as per requested. The pit is now in compliance and no longer requires a C-134 exception.

If you have any questions please feel free to call this office.

Yours truly,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

xc: Don Ellsworth - BLM Farmington
C-134 Correspondence
Well File

Submit 4 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-134 Aug. 1, 1989

DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980

OIL CONSERVATION DIVISION

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

Permit No. (For Division Use Only)

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952 FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(D)

Operator Name: DUGAN PRODUCTION CORP.

Operator Address: P.O. Box 420, Farmington, NM 87499

Lease or Facility Name Blackrock Federal B #2 Location J-8-26N-11W

Size of pit or tank: approx. 30' x 30' Ut. Ltr. Sec. Twp. Rge

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

X The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous. Pit is not large enough to attract migratory waterfowl, generally does not contain fluid, and generally does not contain hazardous material.

1) If any oil or hydrocarbons should reach this facility give method and time required for removal: Oil or hydrocarbons requiring removal will be removed in the most efficient manner dependent upon variable circumstances. Most likely a vacuum truck will be used within 72 hours of the occurrence.

2) If any oil or hydrocarbons reach the above-described facility the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures:

RECEIVED NOV 02 1989 OIL CON. DIV DIST. 2

CERTIFICATION BY OPERATOR: I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature [Signature] Title Geologist Date 10-31-89

Printed Name Jim L. Jacobs Telephone No. 505-325-1821

FOR OIL CONSERVATION DIVISION USE

Date Facility Inspected 4/8/93

Inspected by DKF/CG

Approved by [Signature]

Title

Date

APR 9 1993 DEPUTY OIL & GAS INSPECTOR

BELOW GRADE TANK NETTED