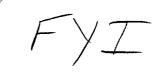


## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE. NEW MEXICO 87505 (505) 827-7131

July 9, 1996



## CERTIFIED MAIL RETURN RECEIPT NO. P-269-269-168

Mr. John D. Roe Dugan Production Corporation P.O. Box 420 Farmington, New Mexico 87499-0420

RE: PIT CLOSURE REPORT
MY PLACE #1 WELL SITE

E L-03-29N-15W

Dear Mr. Roe:

The New Mexico Oil Conservation Division (OCD) has reviewed Dugan Production Corporation's (DPC) June 4, 1996 "PIT REMEDIATION AND CLOSURE REPORT" for the My Place No. 1 well site. This document contains the results of DPC's closure of unlined separator and tank drain pits and an oil tank bermed area at DPC's My Place No. 1 well site located in Unit L, Sec 03, T29N, R15W NMPM, San Juan County, New Mexico.

The pit closure reports for the site listed above are approved.

Please be advised that OCD approval does not relieve DPC of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve DPC of responsibility for compliance with any other federal, state or local laws and/or regulations.

If you have any questions, please call me at (505) 827-7154.

Sincerely,

William C. Olson Hydrogeologist

Environmental Bureau

XC: OCD Aztec Office