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 Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

#### **Release Notification**

#### **Responsible Party**

Responsible Party Dugan Production Corp.			OGRID (	006515		
Contact Name Kevin Smaka			Contact Te	Contact Telephone 505-325-1821 x1049		
Contact email Kevin.Smaka@duganproduction.com			Incident #	(assigned by OCD)	NAPP2134858003	
Contact mail	ing address	PO Box 420, Farr	nington, NM 8749	99		
Latitude36	.3236961			of Release So  Longitude  imal degrees to 5 decim	-107.906517	
Site Name J	uniper 9 #14	1		Site Type	Site Type Gas Well	
Date Release	Discovered	12/14/21		API# (if app	olicable) 30-045-306	536
Unit Letter	Section	Township	Range	Coun	ity	
M	9	24N	10W	San Ju		
☐ Crude Oil	l	(s) Released (Select al Volume Release Volume Release	I that apply and attach d	Volume of I		
			ion of dissolved ch	nloride in the	☐ Yes ⊠ No	,
	4 -	produced water			1/ 1 D	1411)
Condensa		Volume Release			Volume Recov	
Natural Gas Volume Released (Mcf)			Volume Recov			
Other (describe) Volume/Weight Released (provide units)		Volume/Weigh	nt Recovered (provide units)			
Cause of Rele	ease				•	
Pipeline leak						

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the response	nsible party consider this a major release?
☐ Yes ⊠ No		
If YES, was immediate n	otice given to the OCD? By whom? To wh	nom? When and by what means (phone, email, etc)?
NOR submitted in OCD	Permitting 12/14/21	
	Initial R	esponse
The responsible	party must undertake the following actions immediate	ly unless they could create a safety hazard that would result in injury
The source of the rele	ease has been stopped.	
☐ The impacted area ha	as been secured to protect human health and	the environment.
Released materials ha	ave been contained via the use of berms or o	dikes, absorbent pads, or other containment devices.
<u> </u>	ecoverable materials have been removed an	
If all the actions describe	d above have <u>not</u> been undertaken, explain	why:
has begun, please attach	a narrative of actions to date. If remedial	emediation immediately after discovery of a release. If remediation efforts have been successfully completed or if the release occurred please attach all information needed for closure evaluation.
regulations all operators are public health or the environi failed to adequately investig	required to report and/or file certain release noti ment. The acceptance of a C-141 report by the C gate and remediate contamination that pose a three	best of my knowledge and understand that pursuant to OCD rules and fications and perform corrective actions for releases which may endanger OCD does not relieve the operator of liability should their operations have at to groundwater, surface water, human health or the environment. In responsibility for compliance with any other federal, state, or local laws
Printed Name: <u>Kevin Sr</u>	naka	Title: Regulatory Engineer
Signature: //	2 Inh	Date: December 16, 2021
email: <u>Kevin.Smaka@d</u>	uganproduction.com	Telephone: _505-325-1821 x1049
OCD Only		
Received by: Ramona	Marcus	Date: 12/20/2021

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Form C-141 Page 3

### State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

#### Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	(ft bgs)	
Did this release impact groundwater or surface water?	☐ Yes ☐ No	
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	Yes No	
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	☐ Yes ☐ No	
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	Yes No	
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	Yes No	
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ☐ No	
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ☐ No	
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ☐ No	
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ☐ No	
Are the lateral extents of the release overlying an unstable area such as karst geology?	☐ Yes ☐ No	
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ☐ No	
Did the release impact areas not on an exploration, development, production, or storage site?	☐ Yes ☐ No	
Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.		
Characterization Report Checklist: Each of the following items must be included in the report.		
□ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring well Field data □ Data table of soil contaminant concentration data □ Depth to water determination □ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release □ Boring or excavation logs □ Photographs including date and GIS information □ Topographic/Aerial maps □ Laboratory data including chain of custody	ls.	

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Incident ID	
District RP	
Facility ID	
Application ID	

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		
Printed Name:	Title:	
Signature:	Date:	
email:	Telephone:	
OCD Only		
Received by:	Date:	

# State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

### **Remediation Plan**

Remediation Plan Checklist: Each of the following items must b	e included in the plan.
Detailed description of proposed remediation technique	
Scaled sitemap with GPS coordinates showing delineation poin	ts
Estimated volume of material to be remediated	
Closure criteria is to Table 1 specifications subject to 19.15.29.  Proposed schedule for remediation (note if remediation plan times)	
1 Toposed selectate for remediation (note if remediation plan till	ternic is more than 50 days OCD approvar is required)
Deferral Requests Only: Each of the following items must be con	nfirmed as part of any request for deferral of remediation.
Contamination must be in areas immediately under or around predeconstruction.	oduction equipment where remediation could cause a major facility
Extents of contamination must be fully delineated.	
Contamination does not cause an imminent risk to human health	n, the environment, or groundwater.
	te to the best of my knowledge and understand that pursuant to OCD certain release notifications and perform corrective actions for releases
which may endanger public health or the environment. The accepta	
liability should their operations have failed to adequately investigate	
surface water, human health or the environment. In addition, OCD responsibility for compliance with any other federal, state, or local	
responsibility for compliance with any other reactar, state, or local	aws and regulations.
Printed Name:	Title:
Signature:	Date:
email:	Telephone:
OCD Only	
Received by:	Data
Received by.	Date:
Approved  Approved with Attached Conditions of	Approval Denied Deferral Approved
Signature:	Date:

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Form C-141 Page 6

### State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

#### Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following in	tems must be included in the closure report.	
☐ A scaled site and sampling diagram as described in 19.15.29.1	1 NMAC	
Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)		
Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)		
☐ Description of remediation activities		
and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of should their operations have failed to adequately investigate and remuman health or the environment. In addition, OCD acceptance of compliance with any other federal, state, or local laws and/or regular restore, reclaim, and re-vegetate the impacted surface area to the conaccordance with 19.15.29.13 NMAC including notification to the O	ntions. The responsible party acknowledges they must substantially inditions that existed prior to the release or their final land use in CD when reclamation and re-vegetation are complete.	
Printed Name:		
Signature:	Date:	
email:	Telephone:	
OCD Only		
Received by:	Date:	
	of liability should their operations have failed to adequately investigate and water, human health, or the environment nor does not relieve the responsible or regulations.	
Closure Approved by:	Date:	
Printed Name:	Title:	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

NAPP2134858003

### **Release Notification**

#### **Responsible Party**

Responsible Party Dugan Production Corp.				OGRID (	006515
Contact Name Kevin Smaka				Contact Te	elephone 505-325-1821 x1049
Contact email Kevin.Smaka@duganproduction.com			ction.com	Incident #	(assigned by OCD) NAPP234858003
Contact mailing address PO Box 420, Farmington, NM 87499		9			
			Location	of Release S	ource
Latitude36.323	6961		(NAD 83 in deci	Longitude	107.906517 mal places)
Site Name Junip	er 0 #1/			Site Type	Gas Well
Date Release Disc		12/14/21			
Date Release Disc	covered	12/14/21		AFI# (ij app	olicable) 30-045-30636
Unit Letter Se	ection	Township	Range	Cour	nty
М	9	24N	10W	San J	uan
	Material	(a) Palancad (Salact all)		Volume of l	Release
Crude Oil	Iviatorial	Volume Release		carculations of specific	Volume Recovered (bbls)
☐ Produced Wa	ter	Volume Released	d (bbls) 20		Volume Recovered (bbls) 0
Is the concentration of dissolved chloride in t produced water >10,000 mg/l?				loride in the	☐ Yes ☒ No
Condensate					Volume Recovered (bbls)
☐ Natural Gas	Natural Gas Volume Released (Mcf)				Volume Recovered (Mcf)
Other (describ	scribe) Volume/Weight Released (provide units)		units)	Volume/Weight Recovered (provide units)	
Cause of Release					
Pipeline leak					

Incident ID	NAPP2134858003
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?  ☐ Yes ☒ No	If YES, for what reason(s) does the respo	nsible party consider this a major release?	
If YES, was immediate no	otice given to the OCD? By whom? To w	hom? When and by what means (phone, email, etc)?	
NOR submitted in OCD F	Permitting 12/14/21		
	Initial R	esponse	
The responsible p	party must undertake the following actions immediate	ly unless they could create a safety hazard that would result in injury	
<ul> <li>☑ The source of the release has been stopped.</li> <li>☑ The impacted area has been secured to protect human health and the environment.</li> <li>☑ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.</li> <li>☑ All free liquids and recoverable materials have been removed and managed appropriately.</li> </ul>			
	d above have <u>not</u> been undertaken, explain		
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.			
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.			
Printed Name: <u>Kevin Sm</u>	naka	Title: _Regulatory Engineer	
Signature:		Date: December 16, 2021	
email: <u>Kevin.Smaka@du</u>	ganproduction.com	Telephone: _505-325-1821 x1049	
OCD Only			
Received by: Ramona	a Marcus	Date: 12/20/2021	

Received by OCD: 12/16/2021 3:45:35 PM

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Form C-141 Page 3

### State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

#### Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	(ft bgs)		
Did this release impact groundwater or surface water?	☐ Yes ☐ No		
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	☐ Yes ☐ No		
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	Yes No		
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	☐ Yes ☐ No		
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	☐ Yes ☐ No		
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ☐ No		
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ☐ No		
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ☐ No		
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ☐ No		
Are the lateral extents of the release overlying an unstable area such as karst geology?	☐ Yes ☐ No		
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ☐ No		
Did the release impact areas <b>not</b> on an exploration, development, production, or storage site?	☐ Yes ☐ No		
Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.			
Characterization Report Checklist: Each of the following items must be included in the report.	_		
Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.  Field data  Data table of soil contaminant concentration data  Depth to water determination  Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release  Boring or excavation logs  Photographs including date and GIS information  Topographic/Aerial maps  Laboratory data including chain of custody			

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Incident ID	
District RP	
Facility ID	
Application ID	J.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		
Printed Name:	Title:	
Signature:	Date:	
email:	Telephone:	
OCD Only		
Received by:	Date:	

Received by OCD: 12/16/2021 3:45:35 PM

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Form C-141 Page 5

# State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

### **Remediation Plan**

Detailed description of proposed remediation technique Scaled sitemap with GPS coordinates showing delineation points Estimated volume of material to be remediated Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)  Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.
<ul> <li>Scaled sitemap with GPS coordinates showing delineation points</li> <li>Estimated volume of material to be remediated</li> <li>Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC</li> <li>Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)</li> </ul>
Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)
Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)
Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.
Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.
Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
Extents of contamination must be fully delineated.
Contamination does not cause an imminent risk to human health, the environment, or groundwater.
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases
which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of
liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater,
surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of
responsibility for compliance with any other federal, state, or local laws and/or regulations.
Printed Name: Title:
Signature: Date:
email: Telephone:
OCD Only
Deter
Received by: Date:
Approved Approved with Attached Conditions of Approval Denied Deferral Approved
Signature: Date:
<u>Dure</u>

Page 12 of 14

Form C-1 41 Page 6

### State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

#### Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following i	items must be included in the closure report.	
A scaled site and sampling diagram as described in 19.15.29.11 NMAC		
Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)		
☐ Laboratory analyses of final sampling (Note: appropriate ODG	C District office must be notified 2 days prior to final sampling)	
☐ Description of remediation activities		
and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of	ations. The responsible party acknowledges they must substantially nditions that existed prior to the release or their final land use in	
Printed Name:	Title:	
Signature:	Date:	
email:	Telephone:	
OCD Only		
Received by:	Date:	
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.		
Closure Approved by:	Date:	
Printed Name:	Title:	

From:

Thursday, December 16, 2021 1:04 PM

Subject:

Juniper 9-14 C-141

Hey Tyra,

For the Juniper 9-14 use the following as justification.

Approximately 200 cubic of soil were impacted (200 feet square x 1 foot in depth)

200/5.61/2=17.8 bbl

From 17.8 we are rounding up to 20.

Kevin Smaka P.E. Regulatory Engineer Dugan Production Corp. 505-486-6207

Released to Imaging: 12/20/2021 3:26:17 PM

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 67605

#### **CONDITIONS**

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	67605
	Action Type:
	[C-141] Release Corrective Action (C-141)

#### CONDITIONS

Created By	Condition	Condition Date
rmarcus	None	12/20/2021