

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	NAPP2223445319
District RP	
Facility ID	
Application ID	

Release Notification

Accepted - 05/19/2023

Responsible Party

NV

Responsible Party Dugan Production Corp.	OGRID 006515
Contact Name Kevin Smaka	Contact Telephone 505-325-1821 x1049
Contact email Kevin.Smaka@duganproduction.com	Incident # (assigned by OCD) nAPP2223445319
Contact mailing address PO Box 420, Farmington, NM 87499	

Location of Release Source

Latitude 36.165741 Longitude -107.6824188
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Satchmo Com #2	Site Type Gas Well
Date Release Discovered unknown - historic	API# (if applicable) 30-045-34425

Unit Letter	Section	Township	Range	County
J	4	22N	8W	San Juan

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) unknown	Volume Recovered (bbls) 0
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release


Historic accumulation of saltwater leaks

Incident ID	NAPP2223445319
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped.	
<input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment.	
<input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.	
<input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why:	
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 Smaka</u>	Title: <u>Regulatory Engineer</u>
Signature: <u></u>	Date: <u>August 22, 2022</u>
email: <u>Kevin.Smaka@duganproduction.com</u>	Telephone: <u>505-325-1821 x1049</u>
<u>OCD Only</u>	
Received by: <u>Jocelyn Harimon</u>	Date: <u>08/22/2022</u>

Incident ID	NAPP2223445319
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?	<u>200</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 1/2-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.

State of New Mexico
Oil Conservation Division

Incident ID	NAPP2223445319
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: Kevin Smaka Title: Regulatory Engineer
Signature:  Date: August 22, 2022
email: Kevin.Smaka@duganproduction.com Telephone: 505-325-1821 x1049

OCD Only

Received by: Jocelyn Harimon Date: 08/22/2022

Incident ID	NAPP2223445319
District RP	
Facility ID	
Application ID	

Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the 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.*

- ☐ 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: Kevin.Smaka Title: Regulatory Engineer
Signature:  Date: August 22, 2022
email: Kevin.Smaka@duganproduction.com Telephone: 505-325-1821 x1049

OCD Only

Received by: Jocelyn Harimon Date: 08/22/2022
☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

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 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 ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

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: _____

Satchmo Com #2

Site Characterization and Remediation Plan

30-045-34425

J-04-22N-08W

1550 FSL 1350 FEL

Site and Field Data

Dugan Production was informed by NMOCD of a potential historical spill located off the well pad of the Satchmo Com #1. The inspector noted bare spots off of location and requested Dugan further investigate and remediate if needed.

Dugan collected soil samples of the area and tested for Chlorides, BTEX and TPH. Lab results indicated high concentrations of chlorides. While investigating the site it noted salts had ponded in the area, created a crust and damaged the vegetation in the spill area. Based on these findings Dugan felt it best to report a spill of unknown volume.

After determining a spill had occurred Dugan conducted a site evaluation. Dugan found that groundwater for this spill site is found around 200 feet below surface. A hydrogeologic report for a nearby well was used in making this determination. A copy of the report will be included with this document.

Dugan then generated maps and drew buffers on the maps to ensure the spill location is not within proximity of certain areas. The areas specified in NMAC 19.15.29 have been included as a reference:

(4) If a release occurs within the following areas, the responsible party must treat the release as if it occurred less than 50 feet to ground water in Table I of 19.15.29.12 NMAC:

- (a) within
 - (i) 300 feet of any continuously flowing watercourse or any other significant watercourse, or
 - (ii) 200 feet of any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark);
- (b) within 300 feet from an occupied permanent residence, school, hospital, institution or church;
- (c) within
 - (i) 500 feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or
 - (ii) 1000 feet of any fresh water well or spring;
- (d) within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978 as amended, unless the municipality specifically approves;
- (e) within 300 feet of a wetland;
- (f) within the area overlying a subsurface mine;
- (g) within an unstable area; or

(h) within a 100-year floodplain.

After reviewing the needed maps and other data Dugan has determined the spill did not occur in one of the sensitives areas listed above. Dugan has included maps as evidence that supports this position. The nearest water course is a stock pond approximately 800 feet away. There are no homes or dwelling within 300 feet of the spill area. There are no wells or springs within 1000 feet of the spill. The spill did not occur within municipal boundaries. The spill is not near any wetlands, on top of a mine or lying in a flood plain.

Based on information above Dugan will base closure on the following portion of table 1 of NMAC 19.15.29:

>100 feet	Chloride***	EPA 300.0 or SM4500 Cl B	20,000 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg

Remediation Plan

Dugan proposes the following steps to remediate this spill:

1. Break up the flocculated/crust of soil that has formed on the surface. Dugan proposes the soil be ripped to achieve this.
2. Apply 1000 lbs of gypsum to the ripped soil.
3. Soak the ripped soils with fresh water. This will be done using a water truck and a hose. Special care will be taken to prevent run off from spreading to unaffected soils, as needed. The soaking treatment will be done 3 times.
4. After these steps Dugan will collect soils samples and have them analyzed in the lab. If lab results are satisfactory Dugan will reseed the spill area with a seed mix reflective of local vegetation.
5. Dugan will monitor the area until adequate regrowth has taken place.
6. If lab results fail to meet these standards Dugan will apply 500 more pounds of gypsum and soak the spill site again.

In total Dugan is expecting to treat 2000 cubic feet of soil. In addition Dugan expects to have this work completed by November 10th, 2022.

Sampling Plan

In this case Dugan requests permission to sample every 500 square feet with a 5 point composite sample. The spill is approximately 4500 square feet. We propose gathering 9 samples. A map is included showing the proposed locations.

Mary Rose Com #2 Hydrogeologic Data

The Mary Rose Com #2 temporary pit is located on Navajo Allotted land on the Chaco Slope area in San Juan County, New Mexico. The region is characterized by broad, gentle, arid mesas bordered by "badlands topography" on surface shale that is dissected by numerous, small, deep cutting arroyos and larger, south-westerly trending valleys drained by large washes (Escavada Wash). There is only minimal if any vegetative cover on the "badlands" areas and sparse grass, sage and isolated stands of pinon and juniper on the mesa tops.

A records search of the NM Office of the State Engineer -iWATERS database was conducted on a three square mile area centered on the Mary Rose Com #2 location (Exhibit 2). No water wells were located in the area. The results of the search are shown on Exhibit 1.

The main source of stock water in the region is encountered in valley-fill deposits in existing arroyos at shallow depths of approximately 15 – 50 feet below the surface and stock tanks constructed on surface shale at the confluences and upper reaches of arroyos. The temporary pit is not located in an arroyo; Escavada Wash is 400-feet northwest, the nearest stock tank is 8,700-feet to the northwest and there is a spring 3,000-feet to the northwest (Exhibit 2).

The Kirtland Shale ranges from the surface down to approximately 245-feet and is comprised of an upper shale member, middle sandstone member (Farmington Ss.) and a lower shale member. The middle sandstone interval is either absent or not developed in the area. There are no reservoir rocks in the section and the Kirtland is not expected to contain groundwater. The Kirtland shale (surface) is breached down to a depth of 60-feet ¼-mile to the northwest.

The Fruitland Coal and Pictured Cliffs Sandstone from 575-725 feet contain groundwater and natural gas. The water quality is very poor (>10,000 ppm TDS). Water that is recovered with natural gas production is disposed of in nearby salt water disposal wells (analysis of this water is available upon request from Dugan Production)

Based on electric open hole logs, the iWATERS database, literature reviewed, depth to ground water ranges from 15 – 20 feet below the surface in major arroyos and along Escavada Wash. Moving away from the wash, ground water depth drops rapidly to greater than 220-feet below the surface. At the location of the subject temporary pit, lesser amounts of poor quality ground water might be found at depths of approximately 590-770 feet in the Fruitland Coal and Pictured Cliffs Sandstone interval.

This Hydrogeologic Report was prepared by Mr. Kurt Fagrelus, Geologist for Dugan Production. Mr. Fagrelus has been employed as a geologist for Dugan for the past 32-years, received a MS in Geology from NMIMT in Socorro, NM and a BS in Geology from FLC in Durango, CO.

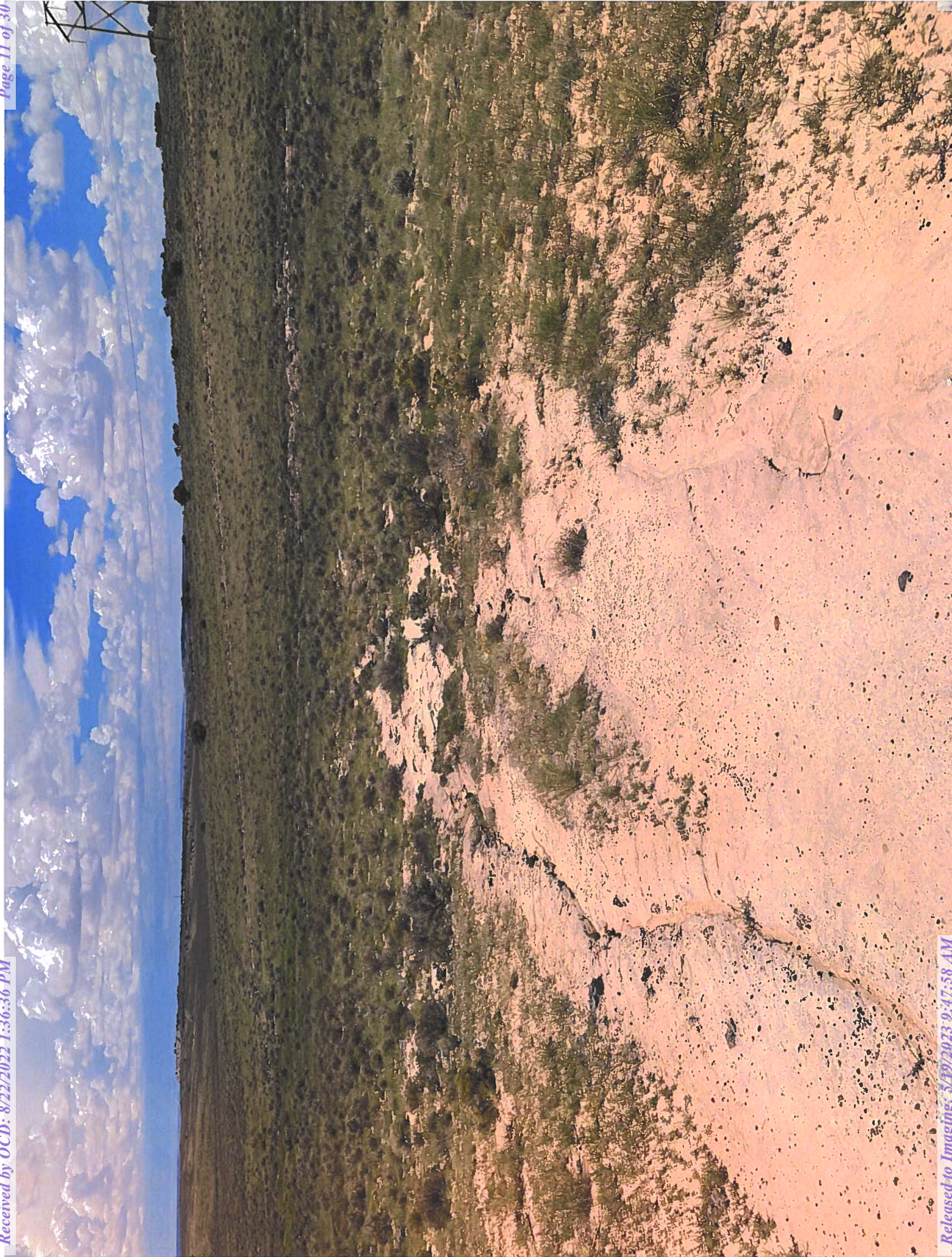
Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

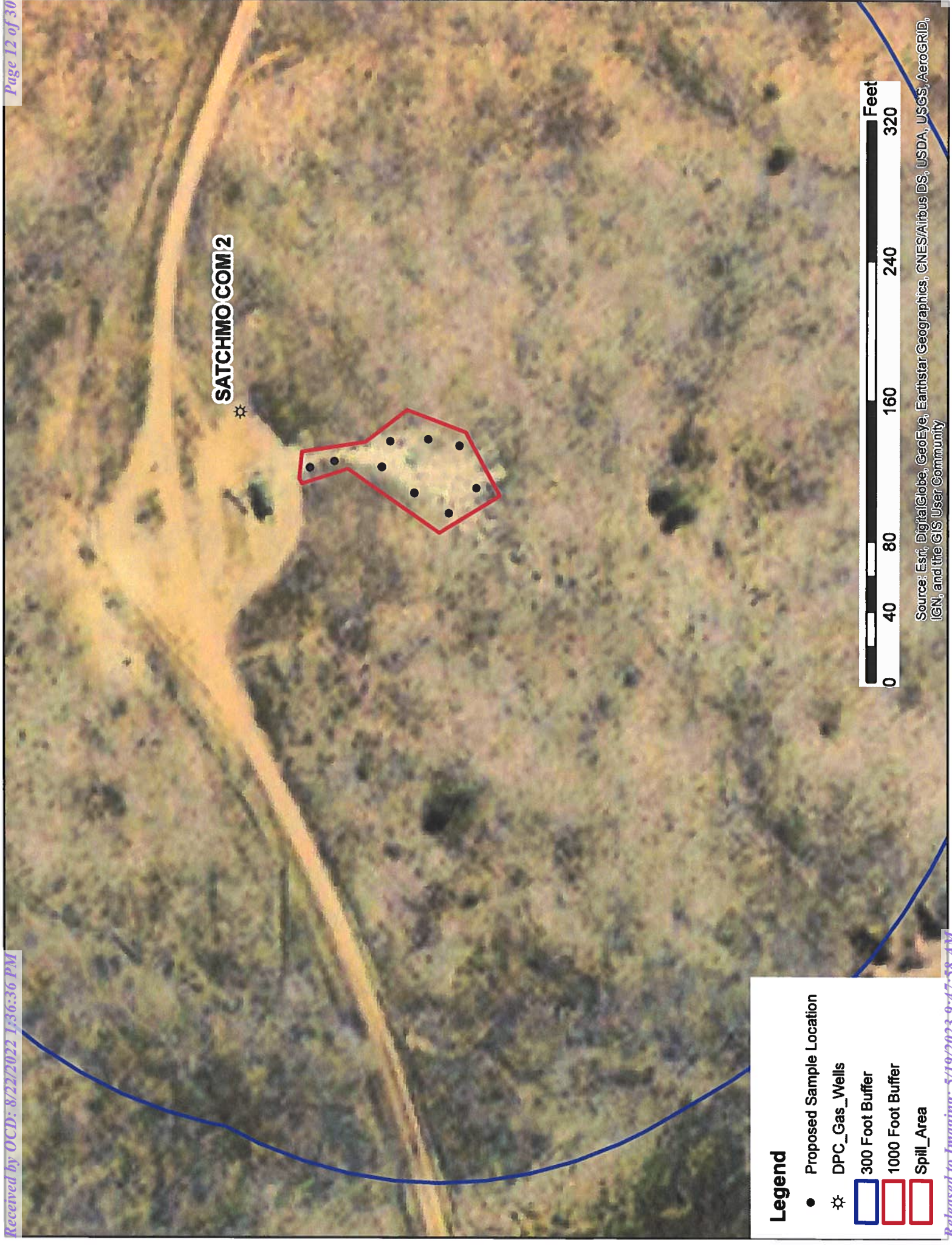
Brown, D.R., and Stone, W.J., 1979, Hydrogeology of Aztec quadrangle, San Juan County, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrogeologic Sheet 1.

Levings, G.W., Craig, S.D., Dam, W.L. Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah: U.S. Geological Survey, Atlas HA-720-A, Sheet 1 and 2.

Thorn, C.R., Levings, G.W., Craig, S.D., Dam, W.L., and Kernodle, J.M., 1990, Hydrogeology of the Ojo Alamo Sandstone in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah: U.S. Geological Survey, Atlas HA-720-B, Sheet 1 and 2.







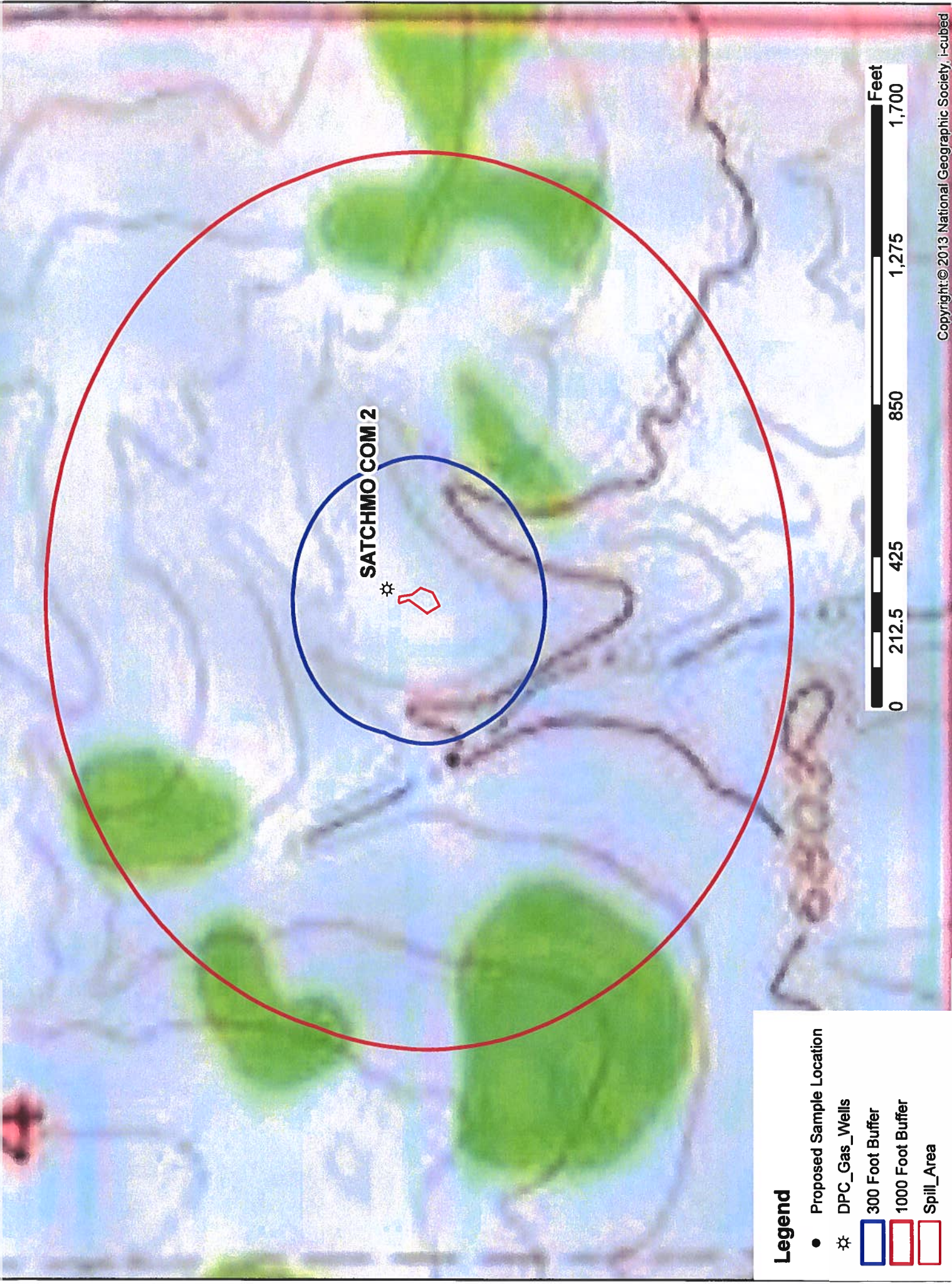
SATCHMO COM 2

Legend

- Proposed Sample Location
- ☆ DPC_Gas_Wells
- 300 Foot Buffer
- 1000 Foot Buffer
- Spill_Area

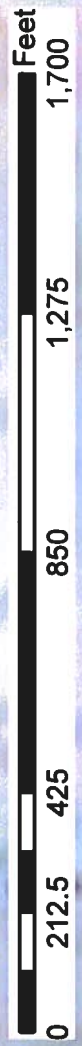


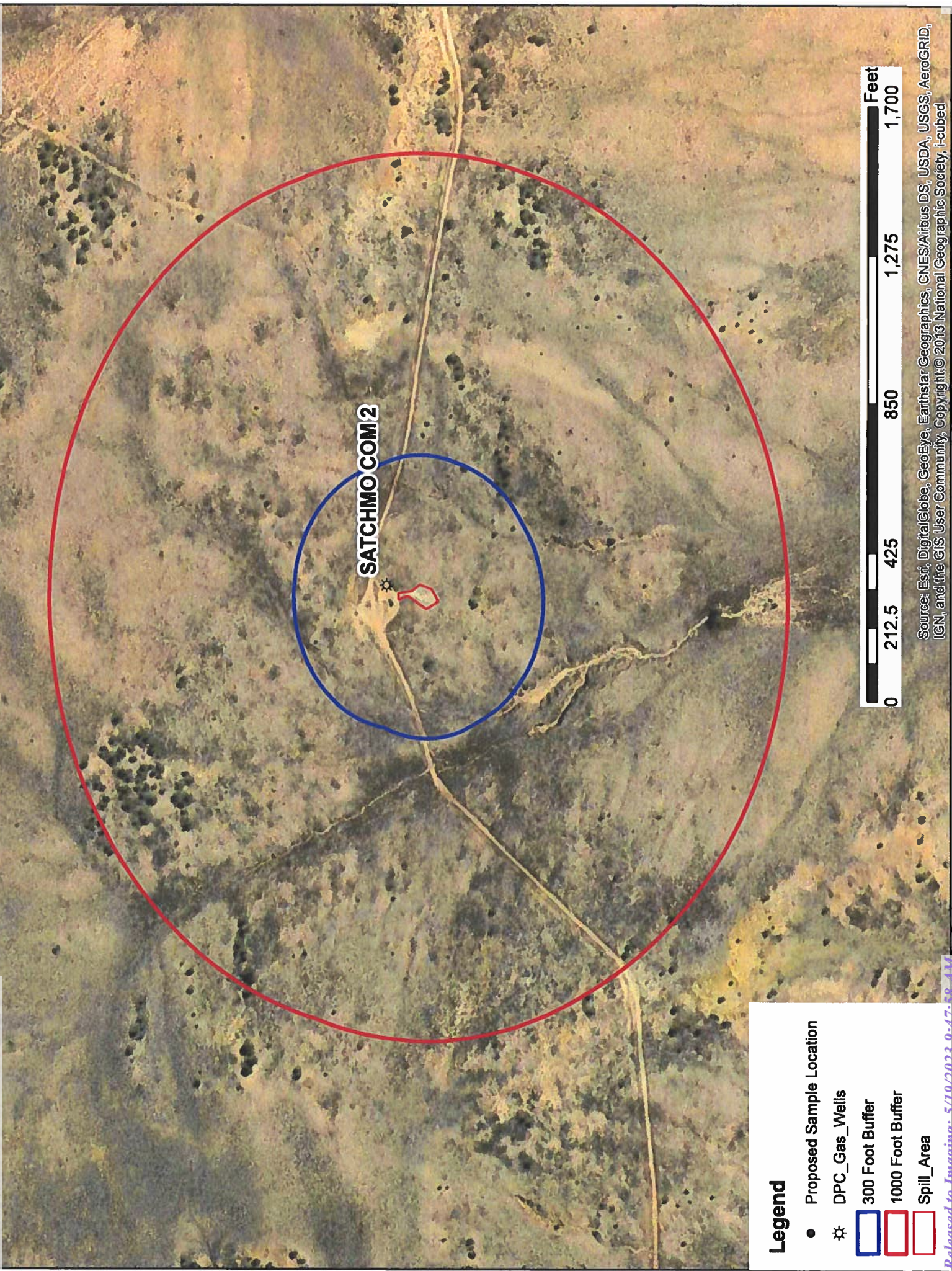
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



Legend

- Proposed Sample Location
- ☆ DPC_Gas_Wells
- 300 Foot Buffer
- 1000 Foot Buffer
- Spill_Area





Legend

- Proposed Sample Location
- ⚙ DPC_Gas_Wells
- 300 Foot Buffer
- 1000 Foot Buffer
- Spill_Area



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Copyright, © 2013 National Geographic Society, i-cubed

National Flood Hazard Layer FIRMette



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

Without Base Flood Elevation (BFE)
Zone A, V, AGS

With BFE or Depth
Zone AE, AO, AH, VE, AR

Regulatory Floodway

0.2% Annual Chance Flood Hazard, Area of 1% annual chance flood with average depth less than one foot or with draining areas of less than one square mile
Zone X

Future Conditions 1% Annual Chance Flood Hazard
Zone X

Area with Reduced Flood Risk due to Levee. See Notes.
Zone X

Area with Flood Risk due to Levee
Zone D

NO SCREEN
Area of Minimal Flood Hazard
Zone X

Effective LOMRS
Area of Undetermined Flood Hazard
Zone X

Channel, Culvert, or Storm Sewer

Levee, Dike, or Floodwall

Cross Sections with 1% Annual Chance Water Surface Elevation
17.5

Coastal Transect

Base Flood Elevation Line (BFE)
50

Limit of Study

Jurisdiction Boundary

Coastal Transect Baseline

Profile Baseline

Hydrographic Feature

Digital Data Available

No Digital Data Available

Unmapped

MAP PANELS

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 8/10/2022 at 7:01 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

107°41'16\"/>

Feet

1:6,000

2,000

1,500

1,000

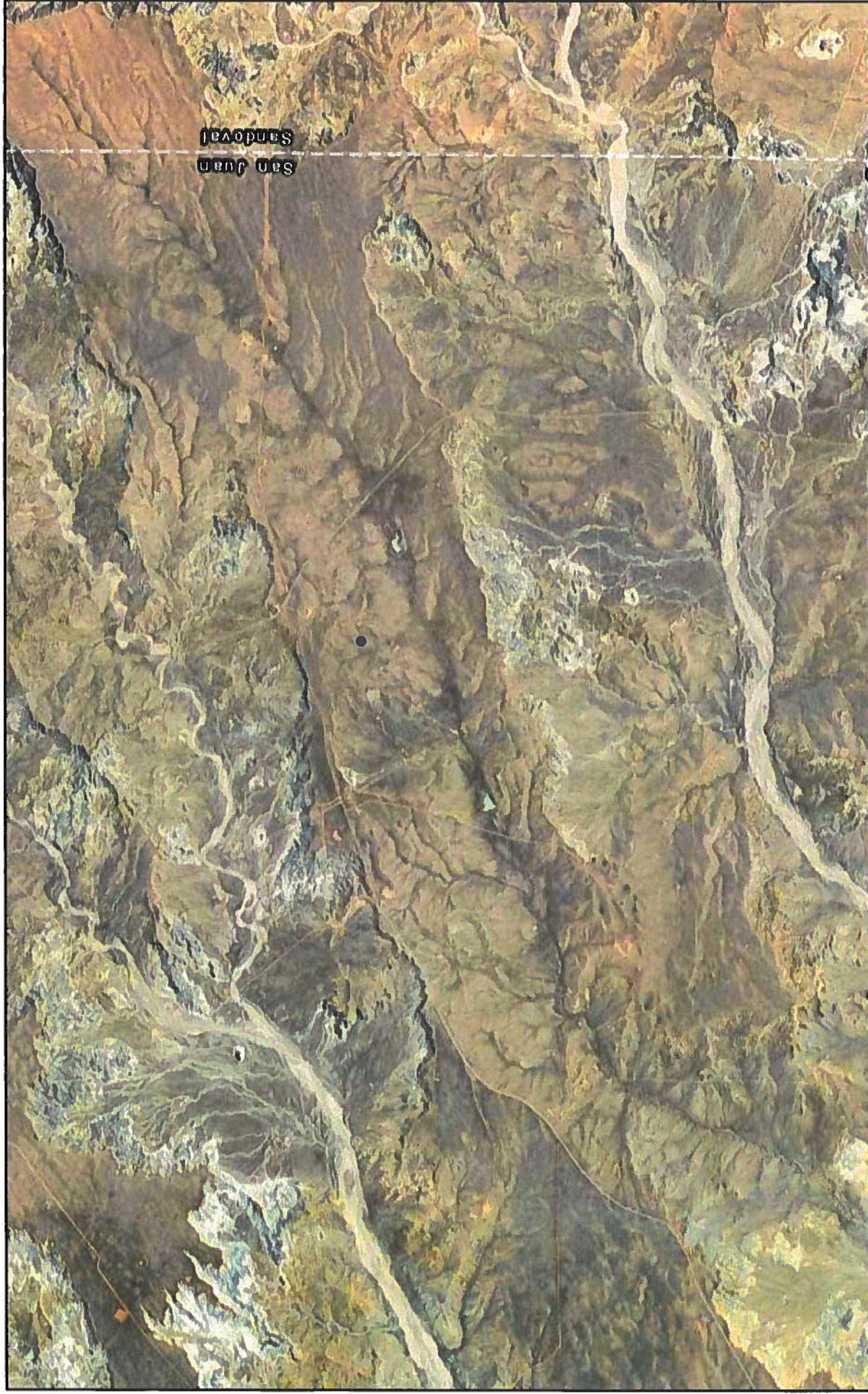
500

250

Released to Imdgng: 5/19/2023 9:47:58 AM

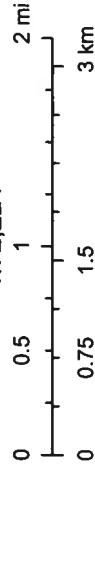
107°40'39\"/>

Active Mines in New Mexico



8/10/2022, 5:03:19 PM

1:72,224

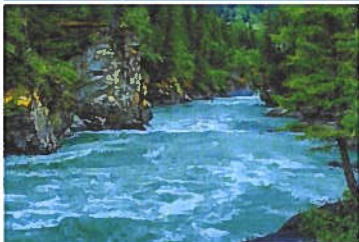


Satchmo 2 Wetlands Map



Screenshot of map generated by NMED that displays wetlands and riparian habitats. The red X is the Satchmo 2 spill site. There are no wetlands anywhere near the Satchmo 2.

Report to:
Kevin Smaka



5796 U.S. Hwy 64
Farmington, NM 87401

Phone: (505) 632-1881
Envirotech-inc.com



envirotech

Practical Solutions for a Better Tomorrow

Analytical Report

Dugan Production Corp.

Project Name: Satchmo #2

Work Order: E206041

Job Number: 06094-0177

Received: 6/7/2022

Revision: 1

Report Reviewed By:

Walter Hinchman
Laboratory Director
6/10/22

Envirotech Inc. certifies the test results meet all requirements of TNI unless noted otherwise.
Statement of Data Authenticity: Envirotech Inc. attests the data reported has not been altered in any way.
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech Inc.
Envirotech Inc. holds the Utah TNI certification NM00979 for data reported.
Envirotech Inc. holds the Texas TNI certification T104704557 for data reported.
Envirotech Inc. holds the NM SDWA certification for data reported. (Lab #NM00979)

Date Reported: 6/10/22

Kevin Smaka
PO Box 420
Farmington, NM 87499



Project Name: Satchmo #2
Workorder: E206041
Date Received: 6/7/2022 3:30:00PM

Kevin Smaka,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 6/7/2022 3:30:00PM, under the Project Name: Satchmo #2.

The analytical test results summarized in this report with the Project Name: Satchmo #2 apply to the individual samples collected, identified and submitted bearing the project name on the enclosed chain-of-custody. Subcontracted sample analyses not conducted by Envirotech, Inc., are attached in full as issued by the subcontract laboratory.

Please review the Chain-of-Custody (COC) and Sample Receipt Checklist (SRC) for any issues regarding sample receipt temperature, containers, preservation etc. To best understand your test results, review the entire report summarizing your sample data and the associated quality control batch data.

All reported data in this analytical report were analyzed according to the referenced method(s) and are in compliance with the latest NELAC/TNI standards, unless otherwise noted. Samples or analytical quality control parameters not meeting specific QC criteria are qualified with a data flag. Data flag definitions are located in the Notes and Definitions section of this analytical report.

If you have any questions concerning this report, please feel free to contact Envirotech, Inc.

Respectfully,

Walter Hinchman
Laboratory Director
Office: 505-632-1881
Cell: 775-287-1762
whinchman@envirotech-inc.com

Raina Schwanz
Laboratory Administrator
Office: 505-632-1881
rainaschwanz@envirotech-inc.com

Alexa Michaels
Sample Custody Officer
Office: 505-632-1881
labadmin@envirotech-inc.com

Field Offices:

Southern New Mexico Area
Lynn Jarboe
Technical Representative/Client Services
Office: 505-421-LABS(5227)
Cell: 505-320-4759
ljjarboe@envirotech-inc.com

West Texas Midland/Odessa Area
Rayny Hagan
Technical Representative
Office: 505-421-LABS(5227)

Envirotech Web Address: www.envirotech-inc.com

Table of Contents

Title Page	1
Cover Page	2
Table of Contents	3
Sample Summary	4
Sample Data	5
Satchmo #2 - 1	5
Satchmo #2 - 2	6
Satchmo #2 - 3	7
Satchmo #2 - 4	8
QC Summary Data	9
QC - Anions by EPA 300.0/9056A	9
Definitions and Notes	10
Chain of Custody etc.	11

Sample Summary

Dugan Production Corp. PO Box 420 Farmington NM, 87499	Project Name: Satchmo #2 Project Number: 06094-0177 Project Manager: Kevin Smaka	Reported: 06/10/22 09:10
--	--	-----------------------------

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Satchmo #2 - 1	E206041-01A	Soil	06/07/22	06/07/22	Glass Jar, 4 oz.
Satchmo #2 - 2	E206041-02A	Soil	06/07/22	06/07/22	Glass Jar, 4 oz.
Satchmo #2 - 3	E206041-03A	Soil	06/07/22	06/07/22	Glass Jar, 4 oz.
Satchmo #2 - 4	E206041-04A	Soil	06/07/22	06/07/22	Glass Jar, 4 oz.

Sample Data

Dugan Production Corp.	Project Name:	Satchmo #2	
PO Box 420	Project Number:	06094-0177	Reported:
Farmington NM, 87499	Project Manager:	Kevin Smaka	6/10/2022 9:10:22AM

Satchmo #2 - 1

E206041-01

Analyte	Result	Reporting Limit	Dilution	Prepared	Analyzed	Notes
Anions by EPA 300.0/9056A	mg/kg	mg/kg		Analyst: KL		Batch: 2224023
Chloride	718	20.0	1	06/07/22	06/08/22	

Sample Data

Dugan Production Corp.	Project Name:	Satchmo #2	Reported: 6/10/2022 9:10:22AM
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	

Satchmo #2 - 2

E206041-02

Analyte	Result	Reporting Limit	Dilution	Prepared	Analyzed	Notes
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Analyst: KL		Batch: 2224023	
Chloride	222	20.0	1	06/07/22	06/08/22	

Sample Data

Dugan Production Corp.	Project Name:	Satchmo #2	
PO Box 420	Project Number:	06094-0177	Reported:
Farmington NM, 87499	Project Manager:	Kevin Smaka	6/10/2022 9:10:22AM

Satchmo #2 - 3
E206041-03

Analyte	Result	Reporting Limit	Dilution	Prepared	Analyzed	Notes
Anions by EPA 300.0/9056A	mg/kg	mg/kg		Analyst: KL		Batch: 2224023
Chloride	455	20.0	1	06/07/22	06/08/22	

Sample Data

Dugan Production Corp.	Project Name:	Satchmo #2	
PO Box 420	Project Number:	06094-0177	Reported:
Farmington NM, 87499	Project Manager:	Kevin Smaka	6/10/2022 9:10:22AM

Satchmo #2 - 4
E206041-04

Analyte	Reporting		Dilution	Prepared	Analyzed	Notes
	Result	Limit				
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Analyst: KL			Batch: 2224023
Chloride	810	20.0	1	06/07/22	06/08/22	

QC Summary Data

Dugan Production Corp.	Project Name:	Satchmo #2	Reported:
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	6/10/2022 9:10:22AM

Anions by EPA 300.0/9056A

Analyst: KL

Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
---------	-----------------	-----------------------------	-------------------------	---------------------------	----------	--------------------	----------	-------------------	-------

Blank (2224023-BLK1)

Prepared: 06/07/22 Analyzed: 06/08/22

Chloride ND 20.0

LCS (2224023-BS1)

Prepared: 06/07/22 Analyzed: 06/08/22

Chloride 247 20.0 250 99.0 90-110

Matrix Spike (2224023-MS1)

Source: E206041-01

Prepared: 06/07/22 Analyzed: 06/08/22

Chloride 956 20.0 250 718 95.5 80-120

Matrix Spike Dup (2224023-MSD1)

Source: E206041-01

Prepared: 06/07/22 Analyzed: 06/09/22

Chloride 969 20.0 250 718 100 80-120 1.25 20

QC Summary Report Comment:

Calculations are based off of the raw (non-rounded) data. However, for reporting purposes all QC data is rounded to three significant figures. Therefore, hand calculated values may differ slightly.



Definitions and Notes

Dugan Production Corp.	Project Name:	Satchmo #2	
PO Box 420	Project Number:	06094-0177	Reported:
Farmington NM, 87499	Project Manager:	Kevin Smaka	06/10/22 09:10

ND Analyte NOT DETECTED at or above the reporting limit

NR Not Reported

RPD Relative Percent Difference

DNI Did Not Ignite

Note (1): Methods marked with ** are non-accredited methods.

Note (2): Soil data is reported on an "as received" weight basis, unless reported otherwise.



Project Information

Chain of Custody

Page 1 of 1

Client: Dugan Production				Attention: Dugan Production				Lab Use Only:				TAT				EPA Program																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
Project: Satchmo #2				Address:				Job Number: 0004-0177				1D				2D				3D				Standard				CWA				SDWA																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
Project Manager: Kevin Sosa				City, State, Zip:				Phone:				Analysis and Method				State				NM				CO				UT				AZ				TX																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Report due by: Mario Williams				Sample ID				Lab Number				DRD/ORD by 8015				GRO/ORD by 8015				BTEX by 8021				VOC by 8260				Metals 6010				Chloride 300.0				Remarks																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Time Sampled				Date Sampled				Matrix				No. of Containers				1				2				3				4				5				6				7				8				9				10				11				12				13				14				15				16				17				18				19				20				21				22				23				24				25				26				27				28				29				30				31				32				33				34				35				36				37				38				39				40				41				42				43				44				45				46				47				48				49				50				51				52				53				54				55				56				57				58				59				60				61				62				63				64				65				66				67				68				69				70				71				72				73				74				75				76				77				78				79				80				81				82				83				84				85				86				87				88				89				90				91				92				93				94				95				96				97				98				99				100				101				102				103				104				105				106				107				108				109				110				111				112				113				114				115				116				117				118				119				120				121				122				123				124				125				126				127				128				129				130				131				132				133				134				135				136				137				138				139				140				141				142				143				144				145				146				147				148				149				150				151				152				153				154				155				156				157				158				159				160				161				162				163				164				165				166				167				168				169				170				171				172				173				174				175				176				177				178				179				180				181				182				183				184				185				186				187				188				189				190				191				192				193				194				195				196				197				198				199				200				201				202				203				204				205				206				207				208				209				210				211				212				213				214				215				216				217				218				219				220				221				222				223				224				225				226				227				228				229				230				231				232				233				234				235				236				237				238				239				240				241				242				243				244				245				246				247				248				249				250				251				252				253				254				255				256				257				258				259				260				261				262				263				264				265				266				267				268				269				270				271				272				273				274				275				276				277				278				279				280				281				282				283				284				285				286				287				288				289				290				291				292				293				294				295				296				297				298				299				300				301				302				303				304				305				306				307				308				309				310				311				312				313				314				315				316				317				318				319				320				321				322				323				324				325				326				327				328				329				330				331				332				333				334				335				336				337				338				339				340				341				342				343				344				345				346				347				348				349				350				351				352				353				354				355				356				357				358				359				360				361				362				363				364				365				366				367				368				369				370				371				372				373				374				375				376				377				378				379				380				381				382				383				384				385				386				387				388				389				390				391				392				393				394				395				396				397				398				399				400				401				402				403				404				405				406				407				408				409				410				411				412				413				414				415				416				417				418				419				420				421				422				423				424				425				426				427				428				429				430				431				432				433				434				435				436				437				438				439				440				441				442				443				444				445				446				447				448				449				450				451				452				453				454				455				456				457				458				459				460				461				462				463				464				465				466				467				468				469				470				471				472				473				474				475				476				477				478				479				480				481				482				483				484				485				486				487				488				489				490				491				492				493				494				495				496				497				498				499				500				501				502				503				504				505				506				507				508				509				510				511				512				513				514				515				516				517				518				519				520				521				522				523				524				525				526				527				528				529				530				531				532				533				534				535				536				537				538				539				540				541				542				543				544				545				546				547				548				549				550				551				552				553				554				555				556				557				558				559				560				561				562				563				564				565				566				567				568				569				570				571				572				573				574				575				576				577				578				579				580				581				582				583				584				585				586				587				588				589				590				591				592				593				594				595				596				597				598				599				600				601				602				603				604				605				606				607				608				609				610				611				612				613				614				615				616				617				618				619				620				621				622				623				624				625				626				627				628				629				630				631				632				633				634				635				636				637				638				639				640				641				642				643				644				645				646				647				648				649				650				651				652				653				654				655				656				657				658				659				660				661				662				663				664				665				666				667				668				669				670				671				672				673				674				675				676				677				678				679				680				681				682				683				684				685				686				687				688				689				690				691				692				693				694				695				696				697				698				699				700				701				702				703				704				705				706				707				708				709				710				711				712				713				714				715				716				717				718				719				720				721				722				723				724				725				726				727				728				729				730				731				732				733				734				735				736				737				738				739				740				741				742				743				744				745				746				747				748				749				750				751				752				753				754				755				756				757				758				759				760				761				762				763				764				765				766				767				768				769				770				771				772				773				774				775							

Envirotech Analytical Laboratory

Printed: 6/7/2022 3:56:32PM

Sample Receipt Checklist (SRC)

Instructions: Please take note of any NO checkmarks.

If we receive no response concerning these items within 24 hours of the date of this notice, all the samples will be analyzed as requested.

Client: Dugan Production Corp.	Date Received: 06/07/22 15:30	Work Order ID: E206041
Phone: 505-486-6207	Date Logged In: 06/07/22 15:34	Logged In By: Caitlin Christian
Email: kevin.smaka@duganproduction.com	Due Date: 06/10/22 17:00 (3 day TAT)	

Chain of Custody (COC)

- | | |
|---|-----|
| 1. Does the sample ID match the COC? | Yes |
| 2. Does the number of samples per sampling site location match the COC | Yes |
| 3. Were samples dropped off by client or carrier? | Yes |
| 4. Was the COC complete, i.e., signatures, dates/times, requested analyses? | Yes |
| 5. Were all samples received within holding time? | Yes |

Note: Analysis, such as pH which should be conducted in the field, i.e., 15 minute hold time, are not included in this discussion.

Carrier: Mario Ulibarri

Sample Turn Around Time (TAT)

- | | |
|---|-----|
| 6. Did the COC indicate standard TAT, or Expedited TAT? | Yes |
|---|-----|

Sample Cooler

- | | |
|--|-----|
| 7. Was a sample cooler received? | Yes |
| 8. If yes, was cooler received in good condition? | Yes |
| 9. Was the sample(s) received intact, i.e., not broken? | Yes |
| 10. Were custody/security seals present? | No |
| 11. If yes, were custody/security seals intact? | NA |
| 12. Was the sample received on ice? If yes, the recorded temp is 4°C, i.e., 6°±2°C | Yes |

Note: Thermal preservation is not required, if samples are received w/i 15 minutes of sampling

- | |
|---|
| 13. If no visible ice, record the temperature. Actual sample temperature: 4°C |
|---|

Sample Container

- | | |
|--|-----|
| 14. Are aqueous VOC samples present? | No |
| 15. Are VOC samples collected in VOA Vials? | NA |
| 16. Is the head space less than 6-8 mm (pea sized or less)? | NA |
| 17. Was a trip blank (TB) included for VOC analyses? | NA |
| 18. Are non-VOC samples collected in the correct containers? | Yes |
| 19. Is the appropriate volume/weight or number of sample containers collected? | Yes |

Field Label

- | | |
|---|-----|
| 20. Were field sample labels filled out with the minimum information: | |
| Sample ID? | Yes |
| Date/Time Collected? | Yes |
| Collectors name? | Yes |

Sample Preservation

- | | |
|---|----|
| 21. Does the COC or field labels indicate the samples were preserved? | No |
| 22. Are sample(s) correctly preserved? | NA |
| 24. Is lab filtration required and/or requested for dissolved metals? | No |

Multiphase Sample Matrix

- | | |
|--|----|
| 26. Does the sample have more than one phase, i.e., multiphase? | No |
| 27. If yes, does the COC specify which phase(s) is to be analyzed? | NA |

Subcontract Laboratory

- | | |
|---|------------------------|
| 28. Are samples required to get sent to a subcontract laboratory? | No |
| 29. Was a subcontract laboratory specified by the client and if so who? | NA Subcontract Lab: na |

Client Instruction

Comments/Resolution

Signature of client authorizing changes to the COC or sample disposition.

Date



envirotech Inc.

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
District IV
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 136431

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 136431
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Accepted for the record. Incident on tribal land.	5/19/2023