

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-144
Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- Type of action: Below grade tank registration
 Permit of a pit or proposed alternative method
 Closure of a pit, below-grade tank, or proposed alternative method
 Modification to an existing permit/or registration
 Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Dugan Production Corp. OGRID #: 006515
Address: PO Box 420, Farmington, NM 87499-0420
Facility or well name: Com #1
API Number: 30-045-08722 OCD Permit Number: BGT 1
U/L or Qtr/Qtr J Section 2 Township 29N Range 14W County: San Juan
Center of Proposed Design: Latitude 36.7528267 Longitude -108.276207 NAD83 (1750' FSL & 1820' FEL)
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.
 Pit: Subsection F, G or J of 19.15.17.11 NMAC
Temporary: Drilling Workover
 Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no
 Lined Unlined Liner type: Thickness _____ mil LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 40 bbl Type of fluid: Produced Water
Tank Construction material: Fiberglass
 Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
 Visible sidewalls and liner Visible sidewalls only Other No visible sidewalls + leak detection
Liner type: Thickness _____ HDPE PVC Other _____

4.
 Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
 Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)
 Four foot height, four strands of barbed wire evenly spaced between one and four feet
 Alternate. Please specify 4'=3' Hog wire + 1 strand barbed wire

6.
Netting: Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)
 Screen Netting Other _____
 Monthly inspections (If netting or screening is not physically feasible)

7.
Signs: Subsection C of 19.15.17.11 NMAC
 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
 Signed in compliance with 19.15.16.8 NMAC

8.
Variations and Exceptions:
 Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.
Please check a box if one or more of the following is requested, if not leave blank:
 Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.
 Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9.
Siting Criteria (regarding permitting): 19.15.17.10 NMAC
Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.

<u>General siting</u>	
<u>Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.</u> - <input checked="" type="checkbox"/> NM Office of the State Engineer - iWATERS database search; <input type="checkbox"/> USGS; <input type="checkbox"/> Data obtained from nearby wells	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
<u>Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.</u> NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. (Does not apply to below grade tanks) - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Below Grade Tanks</u>	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<u>Temporary Pit using Low Chloride Drilling Fluid</u> (maximum chloride content 15,000 mg/liter)	
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No

Within 100 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

Temporary Pit Non-low chloride drilling fluid

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).
 - Topographic map; Visual inspection (certification) of the proposed site Yes No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
 - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Yes No

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, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;
 - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site Yes No

Within 300 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

Permanent Pit or Multi-Well Fluid Management Pit

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).
 - Topographic map; Visual inspection (certification) of the proposed site Yes No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
 - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Yes No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.
 - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site Yes No

Within 500 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

10.
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

11.
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- A List of wells with approved application for permit to drill associated with the pit.
- Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Climatological Factors Assessment
- Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- Quality Control/Quality Assurance Construction and Installation Plan
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Nuisance or Hazardous Odors, including H₂S, Prevention Plan
- Emergency Response Plan
- Oil Field Waste Stream Characterization
- Monitoring and Inspection Plan
- Erosion Control Plan
- Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.

Proposed Closure: 19.15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fluid Management Pit
 Alternative
- Proposed Closure Method: Waste Excavation and Removal
 Waste Removal (Closed-loop systems only)
 On-site Closure Method (Only for temporary pits and closed-loop systems)
 In-place Burial On-site Trench Burial
 Alternative Closure Method

14.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	<input type="checkbox"/> Yes <input type="checkbox"/> No

adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

16.
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC
- Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC
- Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC
- Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.
Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)

OCD Representative Signature: _____ **Approval Date:** _____

Title: _____ **OCD Permit Number:** _____

19.
Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

Closure Completion Date: _____

20.
Closure Method:

Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)

If different from approved plan, please explain.

21.
Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- Proof of Closure Notice (surface owner and division)
- Proof of Deed Notice (required for on-site closure for private land only)
- Plot Plan (for on-site closures and temporary pits)
- Confirmation Sampling Analytical Results (if applicable)
- Waste Material Sampling Analytical Results (required for on-site closure)
- Disposal Facility Name and Permit Number
- Soil Backfilling and Cover Installation
- Re-vegetation Application Rates and Seeding Technique
- Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude 36.7528267 Longitude -108.376207 NAD: 1927 1983

22.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Marya Collard Title: Environmental Compliance Specialist

Signature: Marya Collard Date: 04.21.26

e-mail address: marya.collard@duganproduction.com Telephone: 505-635-3815

Dugan Production Corp.

Lease Name: COM #001

Below Grade Tank Permit Modification Request

API No: 30-045-08722

State Lease: LG37360000

J-02-29N-14W

1750 FSL 1820 FEL

Surface Owner: State

In accordance with 19.15.17 NMAC, Dugan Production Corp. respectfully submits the attached Form C-144 to request modification to our existing BGT permit/registration, in conjunction with the resubmittal of the final closure report for the below grade tank associated with the above-referenced well.

Dugan Production Corp. requests that the BGT permit/registration be updated to align with the current version of 19.15.17 NMAC, including applicable standards adopted following recent rule revisions. This request is consistent with the intent of 19.15.17.9 NMAC (General Requirements) and 19.15.17.12 NMAC (Permitting Requirements), allowing facilities to remain aligned with current regulatory frameworks. Updating the permit will ensure consistency with revised chloride concentration limits.

A five-point composite confirmational sample collected beneath the BGT returned a chloride concentration of 660 mg/kg, which exceeds the 250 mg/kg limit specified under the original permit/registration and approved closure plan. However, based on a documented depth to groundwater greater than 100 feet, the measured chloride concentration does not exceed the allowable limits under the current 19.15.17 NMAC rule. Therefore, Dugan Production Corp. requests that the permit/registration be modified to reflect the current rule and that the updated chloride criteria be applied to closure evaluation.

In conjunction with this request, Dugan Production Corp. has updated the closure plan to reflect current Table I standards under 19.15.17.13 NMAC, including revised confirmation

sampling limits. This updated confirmation sampling plan is included in this submittal, and Section 16 (Confirmational Sampling Plan) has been completed within the C-144 application.

Additionally, Dugan Production Corp. requests approval to utilize the following analytical methods for petroleum hydrocarbon characterization, in lieu of the methods specified in Table I of 19.15.17.13 NMAC:

- EPA SW-846 Method 8015M/D for Diesel Range Organics (DRO) and Oil Range Organics (ORO)
- EPA SW-846 Method 8015D for Gasoline Range Organics (GRO)

With the combined results reported as Total Petroleum Hydrocarbons (TPH).

This request constitutes a variance from the analytical methods referenced in Table I (including Method 418.1), and is supported by the following technical justification:

This analytical approach is consistent with New Mexico Oil Conservation Division practices and aligns with guidance from the New Mexico Environment Department (NMED), including the Risk Assessment Guidance for Site Investigations and Remediation (RAGS), as well as practices utilized by the Ground Water Quality Bureau (GWQB) and Petroleum Storage Tank Bureau (PSTB). These programs routinely recognize and utilize carbon-range based methods (GRO/DRO/ORO) for petroleum hydrocarbon characterization.

EPA SW-846 Methods 8015D and 8015M/D:

- Provide carbon-range specific quantification (GRO: ~C6–C10, DRO: ~C10–C28, ORO extending into heavier fractions), consistent with NMED risk-based evaluation frameworks
- Are part of the EPA SW-846 analytical suite, widely accepted by both OCD and NMED
- Are commonly used throughout New Mexico for site assessment, remediation, and compliance reporting

Compared to legacy or non-specific TPH methods, this combined approach:

- Improves analytical resolution by distinguishing between light, mid-range, and heavier hydrocarbon fractions
- Enhances accuracy and defensibility through standardized and widely accepted EPA methodologies
- Reduces uncertainty and analytical bias, particularly for complex produced water and oilfield waste matrices

- Aligns with current New Mexico regulatory and industry best practices, supporting more informed environmental decision-making

This methodology provides a more precise and representative characterization of petroleum hydrocarbons while maintaining equivalency with total TPH reporting expectations.

Dugan Production Corp. believes the requested updates and analytical approach are protective of human health and the environment and are consistent with the intent of 19.15.17 NMAC and current New Mexico regulatory practices. Accordingly, Dugan Production Corp. respectfully requests approval of this modification and acceptance of the closure under the updated regulatory framework.

Dugan Production Corp.

Lease Name: COM # 001

Below Grade Tank Closure Report

API No.: 30-045-08722

State Lease: LG37360000

J-02-29N-14W

1750 FSL 1820 FEL

Surface Owner: State

In accordance with 19.15.17.13 NMAC, the following summarizes the closure of the above-referenced below-grade tank. The permit for NM OCD Tank ID ycon2122846536 was cancelled on August 16, 2021, following review of the Legacy C-144B, which determined that the below-grade tank required closure due to reported specifications indicating no visible sidewalls on a single-walled tank. Subsequent closure activities, including tank removal, sampling, backfilling, and reclamation, were conducted in accordance with the substantive technical requirements of 19.15.17 NMAC.

BGT Closure:

Dugan Production Corp. has successfully closed the below-grade tank located at the Com #001 well location. The closure procedures implemented by Dugan were conducted in accordance with the Below-Grade Tank Closure Plan submitted to the New Mexico Oil Conservation Division (NMOCD) on August 16, 2008.

General Plan:

1. Dugan Production Corp. shall close the below-grade pit within 60 days of cessation of operations, in accordance with NMAC 19.15.17.13.G(4). This requirement applies to below-grade tanks that do not meet the requirements of NMAC 19.15.17.11.I(4) or that are not included under NMAC 19.15.17.11.I(5). Such tanks must be closed within, unless retrofitted to comply with NMAC 19.15.17.11.I(4)(b), or earlier if required by the Division due to an imminent threat to fresh water, public health, or the environment. In accordance with 19.15.17.12.D(6), a C-141 must be submitted to document any areas that are wet, discolored or showing other evidence of release.

The above mentioned Below-Grade Tank Permit Application was acknowledged by the New Mexico Oil Conservation Division (NM OCD) on August 16, 2021, with the following condition: BGT registration acknowledged, however, due to the tank having no visible sidewalls, the tank does not meet acceptable specifications, tank closure required in 120 days. The below-grade tank was immediately removed from service.

2. Dugan Production shall remove liquids and sludge from a below-grade tank prior to implementing closure activities and shall dispose of the liquids and sludge in a division-approved facility. The disposal facilities to be utilized are Envirotech Landfarm (Permit # NM-01-011) for solid waste and liquid waste will be hauled to Dugan Production Corp.'s Sanchez O'Brien SWD # 001 (Permit # SWD-694).

All recovered liquids were disposed of at Dugan Production Corp.'s Sanchez O'Briens SWD # 001 (Permit # NM-694) and any sludge or soil required to be removed to facilitate closure was hauled to Envirotech Land Farm (Permit # NM-01-011).

3. Dugan Production Corp. will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.

The below-grade tank was disposed of in accordance with division approved method.

4. Equipment associated with the below-grade tank shall be removed by Dugan Production Corp., unless the equipment is required.

All equipment associated with the below-grade tank that was no longer required for operations was removed from site.

5. Dugan Production Corp. will have the soil beneath the below-grade tank tested to determine whether a release has occurred. Dugan Production Corp. shall collect at a minimum, a five-point composite sample: Individual grab sampled will be collected from any area that is wet, discolored, or showing other evidence of a release, and analyzed for constituents listed in Table I of NMAC 19.15.17.13. Dugan Production Corp. shall notify the division of its results on form C-141.

The depth to groundwater at the site was greater than 100 feet below the base of the below grade tank, meeting the closure criteria for Tier III constituent levels.

Tier III Closure Criteria		
Constituent ¹	Method	Limit
Chloride	EPA 300.0	20,000 mg/kg
TPH	EPA SW-846 Method 418.1	2,500 mg/kg
GRO-DRO	EPA SW-846 Method 8015M	1,000 mg/kg
BTEX ³	EPA SW-846 Method 8021B or 8260B	50 mg/kg
Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg

¹ - Constituent concentrations are in milligrams per kilogram (mg/kg).

² - Total Petroleum Hydrocarbons (TPH). Gasoline Range Organics (GRO). Diesel Range Organics (DRO). Mother Oil/Lube Oil Range Organics (MRO).

³ - Benzene, Toluene, Ethylbenzene, and Total Xylenes (BTEX).

A five-point composite sample was taken of the below-grade tank using sampling tools and all samples tested per NMAC 19.15.17.1 3(B)(1)(b). **See Appendix B: Soil Analysis**

Analyte	Result
Volatile Organics by EPA 8021B	
	mg/kg
Benzene	ND
Ethylbenzene	ND
Toluene	ND
o-Xylene	ND
p, m-Xylene	ND
Total Xylenes	ND
Nonhalogenated Organics by EPA 8015D - GRO	
Gasoline Range Organics (GRO)	ND
Nonhalogenated Organics by EPA 8015M/D-DRO/MRO	
Diesel Range Organics (DRO)	ND
Motor Range Organics (MRO)	ND
Anions by EPA 300.0/9056A	
Chloride	660

6. If Dugan Production Corp. or the division determine that a release has occurred, then Dugan Production Corp. shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

No evidence of a release was observed during the visual inspection or indicated by the analytical results of the soil samples

7. In the event the sampling program demonstrates that a release has not occurred or that any release does not exceed the constituent concentrations specified in NMAC 19.15.17.13 Table I, then Dugan Production Corp. Shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and revegetate the site.

The below-grade tank area passed all requirements of NMAC 19.15.17.13.E(4) and was backfilled with compacted, non-waste containing, earthen material.

8. Notice of Closure will be given prior to closure to the Aztec District Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
 - i. Operators name
 - ii. Location by Unit Letter, Section, Township, and Range.
 - iii. Well Name
 - iv. API Number

Documentation of the notification could not be located in the available project records. Soil sampling was conducted by Jak'd Solutions, a third-party contractor, in accordance with the approved Closure Plan and the requirements of 19.15.17 NMAC.

9. The surface owner shall be notified of Dugan Production Corp.'s closing of the below-grade tank 72 hours, but not more than one week, prior to closure as per approved closure plan via certified mail, return receipt requested.

The closure process notification to the landowner was sent via email. **See Appendix A: Notifications.**

10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final recontours shall have a uniform appearance with smooth surface, fitting the natural topography.

The below-grade tank area was recontoured to achieve a uniform appearance with a smooth surface. Drainage controls were incorporated to prevent ponding and erosion and to ensure the area aligns with the existing well pad. Natural drainage was not impeded. Water bars and silt traps were installed, where necessary, to minimize erosion.

11. Dugan Production Corp. shall seed the disturbed areas the first favorable growing season following closure of a below-grade tank. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM stipulated seed mixes will be used on federally regulated lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private lands. A uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre-disturbance levels and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. Dugan Production Corp. will repeat seeding or planting will be continued until successful vegetative growth occurs.

Final reclamation will be completed by Dugan Production Corp. upon plugging and abandonment of the well using Division-approved seed mixes.

12. A minimum of four feet of cover shall be achieved, and the cover shall include one foot of suitable material, with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0, to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The below-grade tank area was backfilled, and more than four feet of cover was achieved, and the cover included one foot of suitable material to establish vegetation at the site.

13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporates the following:

- Soil Backfilling and Cover Installation, included in this report.
- Revegetation application rates and seeding techniques, to be submitted upon final plugging and abandonment of the well.

- Closure notifications, could not be located in the available project records. Soil sampling was conducted by Jak'd Solutions, a third-party contractor, in accordance with the approved Closure Plan and the requirements of 19.15.17 NMAC.
- Soil sampling analytical results, see **Appendix B: Soil Analysis**.
- Photographic documentation of site reclamation, see **Appendix C: Site Photos**.


Appendix A: Notifications

BGT Closure Notification

Documentation of the soil sampling notification could not be located in the available project records. Soil sampling was conducted by Jak'd Solutions, a third-party contractor, and the analytical results were subsequently submitted as part of the project documentation. Closure activities and soil sampling were conducted in accordance with the approved Closure Plan and the requirements of 19.15.17 NMAC.

Appendix B: Soil Analysis

Figure A: On-Site Form



JAKD SOLUTIONS

ON-SITE FORM

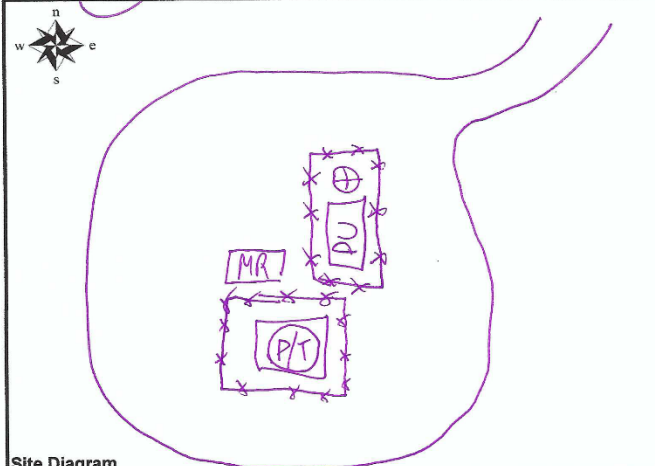
Well Name Com #1 API # 30-045-08722

Section 2 Township 29N Range 14W County San Juan State NM

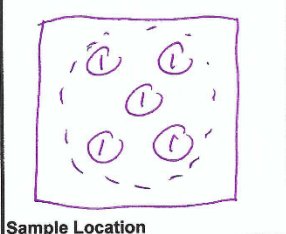
Contractors On-Site Dugan Time On-Site 8:20 AM Time Off-Site _____

Spill Amount _____ bbls Spilled (Oil/Produced Water/Other _____) Recovered _____

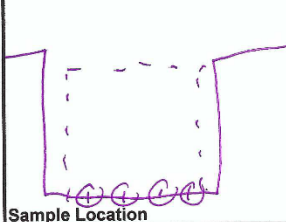
Land Use (Range / Residential / Tribe _____) Spill Area _____ x _____ x _____ deep



Site Diagram



Sample Location



Sample Location

Comments _____

Time	Sample #	Sample Description	Characteristics	OVM (ppm)	Analysis Requested
9:20	1	BGT Composite	Brown Sandy-loam, no odor	---	8015, 8021, Cl

Name (Print) James McDaniel Date 11/20/2023

Name (Signature) [Signature] Company Dugan

Appendix B: Soil Analysis

Figure B: Soil Laboratory Analysis



Eurofins Environment Testing South
 Central, LLC
 4901 Hawkins NE
 Albuquerque, NM 87109
 TEL: 505-345-3975 FAX: 505-345-4107
 Website: www.hallenvironmental.com

December 05, 2023

James McDaniel
 JAKD Solutions
 3811 Crestridge Dr
 Farmington, NM 87401
 TEL: (505) 860-1666
 FAX:

RE: COM 1

OrderNo.: 2311B24

Dear James McDaniel:

Eurofins Environment Testing South Central, LLC received 1 sample(s) on 11/21/2023 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. In order to properly interpret your results, it is imperative that you review this report in its entirety. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. When necessary, data qualifiers are provided on both the sample analysis report and the QC summary report, both sections should be reviewed. All samples are reported, as received, unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please do not hesitate to contact Eurofins Albuquerque for any additional information or clarifications.

ADHS Cert #AZ0682 -- NMED-DWB Cert #NM9425 -- NMED-Micro Cert #NM0901

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman".

Andy Freeman
 Laboratory Manager
 4901 Hawkins NE
 Albuquerque, NM 87109

Appendix B: Soil Analysis

Hall Environmental Analysis Laboratory, Inc.		Analytical Report				
		Lab Order 2311B24				
		Date Reported: 12/5/2023				
CLIENT: JAKD Solutions			Client Sample ID: BGT Composite			
Project: COM 1			Collection Date: 11/20/2023 9:20:00 AM			
Lab ID: 2311B24-001		Matrix: SOIL	Received Date: 11/21/2023 7:10:00 AM			
Analyses	Result	RL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS						
Analyst: DGH						
Diesel Range Organics (DRO)	ND	9.3		mg/Kg	1	11/28/2023 8:45:17 PM
Motor Oil Range Organics (MRO)	ND	46		mg/Kg	1	11/28/2023 8:45:17 PM
Surr: DNOP	89.0	69-147		%Rec	1	11/28/2023 8:45:17 PM
EPA METHOD 8015D: GASOLINE RANGE						
Analyst: JJP						
Gasoline Range Organics (GRO)	ND	4.8		mg/Kg	1	11/27/2023 1:49:14 PM
Surr: BFB	89.8	15-244		%Rec	1	11/27/2023 1:49:14 PM
EPA METHOD 8021B: VOLATILES						
Analyst: JJP						
Benzene	ND	0.024		mg/Kg	1	11/27/2023 1:49:14 PM
Toluene	ND	0.048		mg/Kg	1	11/27/2023 1:49:14 PM
Ethylbenzene	ND	0.048		mg/Kg	1	11/27/2023 1:49:14 PM
Xylenes, Total	ND	0.095		mg/Kg	1	11/27/2023 1:49:14 PM
Surr: 4-Bromofluorobenzene	95.7	39.1-146		%Rec	1	11/27/2023 1:49:14 PM
EPA METHOD 300.0: ANIONS						
Analyst: JMT						
Chloride	660	60		mg/Kg	20	11/29/2023 1:02:57 AM

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level. D Sample Diluted Due to Matrix H Holding times for preparation or analysis exceeded ND Not Detected at the Reporting Limit PQL Practical Quantitative Limit S % Recovery outside of standard limits. If undiluted results may be estimated.	B Analyte detected in the associated Method Blank E Above Quantitation Range/Estimated Value J Analyte detected below quantitation limits P Sample pH Not In Range RL Reporting Limit
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Appendix B: Soil Analysis

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2311B24

05-Dec-23

Client: JAKD Solutions

Project: COM 1

Sample ID: MB-79035	SampType: mblk	TestCode: EPA Method 300.0: Anions								
Client ID: PBS	Batch ID: 79035	RunNo: 101444								
Prep Date: 11/28/2023	Analysis Date: 11/28/2023	SeqNo: 3733080	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	ND	1.5								

Sample ID: LCS-79035	SampType: lcs	TestCode: EPA Method 300.0: Anions								
Client ID: LCSS	Batch ID: 79035	RunNo: 101444								
Prep Date: 11/28/2023	Analysis Date: 11/28/2023	SeqNo: 3733081	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	14	1.5	15.00	0	92.5	90	110			

Qualifiers:

- * Value exceeds Maximum Contaminant Level
- D Sample Diluted Due to Matrix
- H Holding time: for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range-Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Appendix B: Soil Analysis

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2311B24

05-Dec-23

Client: JAKD Solutions

Project: COM 1

Sample ID: 2311B24-001AMS	SampType: MS	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: BGT Composite	Batch ID: 78965	RunNo: 101429								
Prep Date: 11/22/2023	Analysis Date: 11/28/2023	SeqNo: 3732953	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	42	9.5	47.44	0	88.4	54.2	135			
Surr: DNOP	4.2		4.744		89.5	69	147			

Sample ID: 2311B24-001AMSD	SampType: MSD	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: BGT Composite	Batch ID: 78965	RunNo: 101429								
Prep Date: 11/22/2023	Analysis Date: 11/28/2023	SeqNo: 3732954	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	43	9.7	48.59	0	89.4	54.2	135	3.53	29.2	
Surr: DNOP	4.4		4.859		91.4	69	147	0	0	

Sample ID: LCS-78965	SampType: LCS	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: LCSS	Batch ID: 78965	RunNo: 101429								
Prep Date: 11/22/2023	Analysis Date: 11/28/2023	SeqNo: 3732955	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	47	10	50.00	0	94.7	61.9	130			
Surr: DNOP	4.7		5.000		93.7	69	147			

Sample ID: MB-78965	SampType: MBLK	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: PBS	Batch ID: 78965	RunNo: 101429								
Prep Date: 11/22/2023	Analysis Date: 11/28/2023	SeqNo: 3732957	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Motor Oil Range Organics (MRO)	ND	50								
Surr: DNOP	10		10.00		101	69	147			

Qualifiers:

- * Value exceeds Maximum Contaminant Level
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Appendix B: Soil Analysis

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2311B24

05-Dec-23

Client: JAKD Solutions

Project: COM 1

Sample ID: Ics-78950	SampType: LCS	TestCode: EPA Method 8015D: Gasoline Range								
Client ID: LCSS	Batch ID: 78950	RunNo: 101398								
Prep Date: 11/22/2023	Analysis Date: 11/27/2023	SeqNo: 3730673							Units: mg/Kg	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	20	5.0	25.00	0	81.5	70	130			
Surr: BFB	1700		1000		172	15	244			

Sample ID: mb-78950	SampType: MBLK	TestCode: EPA Method 8015D: Gasoline Range								
Client ID: PBS	Batch ID: 78950	RunNo: 101398								
Prep Date: 11/22/2023	Analysis Date: 11/27/2023	SeqNo: 3730674							Units: mg/Kg	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	860		1000		86.2	15	244			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Appendix B: Soil Analysis

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2311B24

05-Dec-23

Client: JAKD Solutions

Project: COM 1

Sample ID: LCS-78950	SampType: LCS	TestCode: EPA Method 8021B: Volatiles								
Client ID: LCSS	Batch ID: 78950	RunNo: 101398								
Prep Date: 11/22/2023	Analysis Date: 11/27/2023	SeqNo: 3730676	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.95	0.025	1.000	0	94.9	70	130			
Toluene	0.97	0.050	1.000	0	96.8	70	130			
Ethylbenzene	0.95	0.050	1.000	0	94.7	70	130			
Xylenes, Total	2.8	0.10	3.000	0	94.7	70	130			
Surr: 4-Bromofluorobenzene	0.94		1.000		93.7	39.1	146			

Sample ID: mb-78950	SampType: MBLK	TestCode: EPA Method 8021B: Volatiles								
Client ID: PBS	Batch ID: 78950	RunNo: 101398								
Prep Date: 11/22/2023	Analysis Date: 11/27/2023	SeqNo: 3730677	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.025								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								
Surr: 4-Bromofluorobenzene	0.93		1.000		93.3	39.1	146			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Appendix B: Soil Analysis



Environment Testin

Eurofins Environment Testing South
Central, LLC
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: www.hallenvironmental.com

Sample Log-In Check List

Client Name: JAKD Solutions Work Order Number: 2311B24 RcptNo: 1

Received By: Juan Rojas 11/21/2023 7:10:00 AM *[Signature]*

Completed By: Cheyenne Cason 11/21/2023 2:06:03 PM *[Signature]*

Reviewed By: *[Signature]* 11-21-23

Chain of Custody

- 1. Is Chain of Custody complete? Yes No Not Present
- 2. How was the sample delivered? Courier

Log In

- 3. Was an attempt made to cool the samples? Yes No NA
- 4. Were all samples received at a temperature of >0° C to 6.0°C Yes No NA
- 5. Sample(s) in proper container(s)? Yes No
- 6. Sufficient sample volume for indicated test(s)? Yes No
- 7. Are samples (except VOA and ONG) properly preserved? Yes No
- 8. Was preservative added to bottles? Yes No NA
- 9. Received at least 1 vial with headspace <1/4" for AQ VOA? Yes No NA
- 10. Were any sample containers received broken? Yes No
- 11. Does paperwork match bottle labels?
(Note discrepancies on chain of custody) Yes No
- 12. Are matrices correctly identified on Chain of Custody? Yes No
- 13. Is it clear what analyses were requested? Yes No
- 14. Were all holding times able to be met?
(If no, notify customer for authorization.) Yes No

of preserved bottles checked for pH: _____
(<2 or >12 unless noted)

Adjusted? _____

Checked by: *SCM 11/21/23*

Special Handling (if applicable)

- 15. Was client notified of all discrepancies with this order? Yes No NA

Person Notified: _____ Date: _____

By Whom: _____ Via: eMail Phone Fax In Person

Regarding: _____

Client Instructions: _____

16. Additional remarks:

17. Cooler Information

Cooler No	Temp °C	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	1.1	Good	Yes	Yogi		

Appendix B: Soil Analysis

Chain-of-Custody Record

Client: AKD SOLUTIONS

Mailing Address: PO Box 5312
Farmington, NM 87499

Phone #: 505-860-1666
email or Fax#: james@akdsolutions.com

QA/QC Package:
 Standard Level 4 (Full Validation)
 Az Compliance
 NELAC Other
 EDD (Type)

Accreditation:
 Az Compliance
 NELAC
 Other

Turn-Around Time:
 Standard Rush

Project Name:
COM #1

Project #:

Project Manager:
JADaniel

Sampler:
[Signature]

On Ice: Yes No

of Coolers: 1
Cooler Temp (including cpl): 4.09
0.97 ± 0.2 = 1.1 (°C)

Container Type and #:
1-4oz Cool 001

Preservative Type:
HEAL No. 2311324

HALL ENVIRONMENTAL ANALYSIS LABORATORY
www.hallenvironmental.com
4901 Hawkins NE - Albuquerque, NM 87109
Tel. 505-345-3975 Fax 505-345-4107

Analysis Request

BTEX / MTBE / TMB's (8021)	XX
TPH:8015D(GRO / DRO / MRO)	
8081 Pesticides/8082 PCB's	
EDB (Method 504.1)	
PAHs by 8310 or 8270SIMS	
RCRA 8 Metals	X
CLP (Pb, Cd, Cr, Ni, Cu, Zn, Fe, Mn, SO ₄)	X
8260 (VOA)	
8270 (Semi-VOA)	
Total Coliform (Present/Absent)	

Date	Time	Matrix	Sample Name	HEAL No.	Received by:	Date	Time
4/21/23	1800	Soil	BGT Composite	2311324	[Signature]	11/20/23	1025
					[Signature]	11/21/23	7:10

If necessary, sample submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.

Appendix C: Site Photos

Photo 1: BGT Before Removal



Photo 2: BGT Berm After Removal



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

CONDITIONS

Action 577829

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 577829
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
joel.stone	Upon the cessation of all production operations in the area associated with well API 30-045-08722 (Com #1), the operator shall complete the requirements of 19.15.17.13 NMAC for the area associated with this below-grade tank and notify the OCD when restoration, reclamation, and re-vegetation are complete.	4/24/2026