

3R-1013

**Release Report/ General
Correspondence**

Williams SJ

Date: Jul-Sept 2015

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

OIL CONS. DIV DIST. 3

AUG 07 2015

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Form C-141
Revised August 8, 2011

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Dugan Production Corp	Contact:	Neil Haws
Address	PO Box 420, Farmington NM 87499-0420	Telephone No.	505-635-3124
Facility Name	Frazzle #1 SWD	Facility Type:	Injection Well

Surface Owner	Federal	Mineral Owner	Federal	API No.	30-045-33865
---------------	---------	---------------	---------	---------	--------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	30	24N	10W	750	North	2180	West	San Juan

Latitude: 36.289260 Longitude: -107.938094

NATURE OF RELEASE

Type of Release:	Produced Water	Volume of Release:	UNK	Volume Recovered:	Appx. 15 bbls
Source of Release:	Open filter valve	Date and Hour of Occurrence	5/31/15 @ 1700 hrs.	Date and Hour of Discovery	6/1/15 @ 1000 hrs.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Shari Ketchum (BLM); Cory Smith and Jonathan Kelly (NMOCD)		
By Whom?	Rodger Mullins	Date and Hour:	6/1/15 @ 1520 hrs.		
Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	Unknown (minimal)		

If a Watercourse was Impacted, Describe Fully.* The produced water that reached the wash both on the West and East side of the location entered the wash where the road crosses the wash however, the water did not travel down the wash outside of the roadway.

Describe Cause of Problem and Remedial Action Taken.* Cause was a hose that had popped loose allowing the below grade tank to overflow. Produced water spilled onto the ground. When spill was found valve closed and produced water pulled from the pit. Employees will be instructed to ensure all valves are closed before leaving SWD locations

Describe Area Affected and Cleanup Action Taken.*

(On location) water was on the ground on West and South of the SWD building staying in the approximate center of the location, approximately 30 Ft wide, flowing South to the road that runs East and West through the South end of the location approximately 181 Ft stopping at the South edge of the road. (Off Location) Water ran East along road approximately 91 Ft to the wash where it stopped. Water also ran West along south side of the road in a narrow stream approximately 382 Ft to a small dry wash where it stopped.

Cleanup action: After spill area dries, gypsum will be spread and raked into the contaminated area

Gypsum was spread and raked into the contaminated area. Soil Samples were taken of the spill area and sent to Cardinal Laboratories, all samples but one were free of contamination. Contaminated sample was from the east side of the berm of the below grade tank. 3 additional samples were taken along the east side of the below grade tank berm. samples sent to Cardinal laboratories, soil sample results are below regulatory standards of a ranking score of 20.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <u>Neil Haws</u>		OIL CONSERVATION DIVISION	
Printed Name: Neil Haws		Approved by Environmental Specialist:	
Title: Environmental		Approval Date:	Expiration Date:
E-mail Address: neil.haws@duganproduction.com (From initial reported 6/1/15) Date: 8/4/15 Phone: 505-635-3124		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

July 20, 2015

MIKE SANDOVAL

DUGAN PRODUCTION

P. O. BOX 420

FARMINGTON, NM 87499

RE: FRAZZLE #1 SWD

Enclosed are the results of analyses for samples received by the laboratory on 07/14/15 13:21.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

DUGAN PRODUCTION
MIKE SANDOVAL
P. O. BOX 420
FARMINGTON NM, 87499
Fax To: (505) 327-4043

Received: 07/14/2015
Reported: 07/20/2015
Project Name: FRAZZLE #1 SWD
Project Number: NONE GIVEN
Project Location: AROUND PIT EAST SIDE

Sampling Date: 07/09/2015
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: FRAZZLE #1 SWD (1) (H501788-01)

BTX 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	2.49	
Toluene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	1.73	
Ethylbenzene*	<0.050	0.050	07/17/2015	ND	2.03	101	2.00	3.30	
Total Xylenes*	<0.150	0.150	07/17/2015	ND	5.34	88.9	6.00	2.63	
Total BTX	<0.300	0.300	07/17/2015	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 118 % 85.6-137

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	192	16.0	07/17/2015	ND	432	108	400	7.69	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	07/15/2015	ND	205	103	200	1.44	
DRO >C10-C28	<10.0	10.0	07/15/2015	ND	208	104	200	6.94	
Total TPH C6-C28	<10.0	10.0	07/15/2015	ND	413	103	400	4.25	

Surrogate: 1-Chlorooctane 83.0 % 47.2-157

Surrogate: 1-Chlorooctadecane 92.7 % 52.1-176

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

DUGAN PRODUCTION
MIKE SANDOVAL
P. O. BOX 420
FARMINGTON NM, 87499
Fax To: (505) 327-4043

Received: 07/14/2015
Reported: 07/20/2015
Project Name: FRAZZLE #1 SWD
Project Number: NONE GIVEN
Project Location: AROUND PIT EAST SIDE

Sampling Date: 07/09/2015
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: FRAZZLE #1 SWD (2) (H501788-02)

BTEX 8021B			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	2.49	
Toluene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	1.73	
Ethylbenzene*	<0.050	0.050	07/17/2015	ND	2.03	101	2.00	3.30	
Total Xylenes*	<0.150	0.150	07/17/2015	ND	5.34	88.9	6.00	2.63	
Total BTEX	<0.300	0.300	07/17/2015	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 116 % 85.6-137

Chloride, SM4500Cl-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	624	16.0	07/17/2015	ND	432	108	400	7.69	

TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	07/15/2015	ND	205	103	200	1.44	
DRO >C10-C28	<10.0	10.0	07/15/2015	ND	208	104	200	6.94	
Total TPH C6-C28	<10.0	10.0	07/15/2015	ND	413	103	400	4.25	

Surrogate: 1-Chlorooctane 75.9 % 47.2-157

Surrogate: 1-Chlorooctadecane 83.4 % 52.1-176

Cardinal Laboratories
***=Accredited Analyte**

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

DUGAN PRODUCTION
MIKE SANDOVAL
P. O. BOX 420
FARMINGTON NM, 87499
Fax To: (505) 327-4043

Received: 07/14/2015
Reported: 07/20/2015
Project Name: FRAZZLE #1 SWD
Project Number: NONE GIVEN
Project Location: AROUND PIT EAST SIDE

Sampling Date: 07/09/2015
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: FRAZZLE #1 SWD (3) (H501788-03)

BTEX 8021B			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	2.49	
Toluene*	<0.050	0.050	07/17/2015	ND	1.93	96.5	2.00	1.73	
Ethylbenzene*	<0.050	0.050	07/17/2015	ND	2.03	101	2.00	3.30	
Total Xylenes*	<0.150	0.150	07/17/2015	ND	5.34	88.9	6.00	2.63	
Total BTEX	<0.300	0.300	07/17/2015	ND					

Surrogate: 4-Bromofluorobenzene (PIL) 115 % 85.6-137

Chloride, SM4500Cl-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	208	16.0	07/17/2015	ND	432	108	400	7.69	

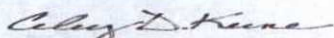
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	07/15/2015	ND	205	103	200	1.44	
DRO >C10-C28	<10.0	10.0	07/15/2015	ND	208	104	200	6.94	
Total TPH C6-C28	<10.0	10.0	07/15/2015	ND	413	103	400	4.25	

Surrogate: 1-Chlorooctane 72.2 % 47.2-157

Surrogate: 1-Chlorooctadecane 75.4 % 52.1-176

Cardinal Laboratories
***=Accredited Analyte**

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP 11 2015

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

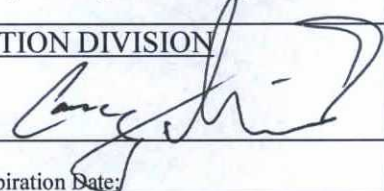
Name of Company Williams Four Corners LLC	Contact Kelsey Christiansen
Address 188 CR 4900, Bloomfield, NM 87413	Telephone No. 505-632-4606
Facility Name Kutz Canyon Gas Plant	Facility Type Natural Gas Processing Plant
Surface Owner Bureau of Land Management	Mineral Owner
API No.	

LOCATION OF RELEASE

Unit Letter D	Section 13	Township 28N	Range 11W	Feet from the	North/South Line	Feet from the	East/West Line	County San Juan
------------------	---------------	-----------------	--------------	---------------	------------------	---------------	----------------	--------------------

Latitude 36° 40.064 N Longitude 107° 57.795 W

NATURE OF RELEASE

Type of Release 50 % Amine/ 50% Water	Volume of Release 1,260 gallons amine/water mix	Volume Recovered 1,260 gallons amine/water mix
Source of Release Stripper Tower Vessel	Date and Hour of Occurrence 8/27/2015, 14:00 PM MST	Date and Hour of Discovery 8/27/2015, 14:00 PM MST
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jonathan Kelly, NMOCD Shari Ketcham, BLM	
By Whom? Kelsey Christiansen	Date and Hour Phone conversation on 09/02/15 at 10:00 AM MST	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* At Williams Kutz Gas Plant a pinhole leak was discovered on the cooling tower which was causing the release of amine and water mixture to trickle down the side of the tower (approximately 30 feet up). Upon discovery, it was insured that 100% of the liquid product would remain within the concrete secondary containment with a sump, in which 100 % of the product was pumped out and recycled back into the system. To insure safe repairs were made to the tower the proper equipment was needed and repairs were safely made to the tower on 08/27/15. No impacts were made to soil and 100% of the product was recovered.		
Describe Area Affected and Cleanup Action Taken.* No cleanup required.		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.		
Signature:	OIL CONSERVATION DIVISION	
Printed Name: Kelsey Christiansen	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: 9/23/15	Expiration Date:
E-mail Address: Kelsey.christiansen@williams.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 09/08/2015 Phone: 505-632-4606		

* Attach Additional Sheets If Necessary

#NCS 152 6630430