From: Tyra Feil
To: Whitehead, Christopher , EMNRD
Subject: [EXTERNAL] RE: Bonnie & Ed 30-045-25120 Closure Report
Date: Friday, October 8, 2021 9:26:15 AM

Good morning, Christopher.

I apologize for the incomplete information – the information requested for tank specifications (plus additional for fencing, netting & signage) are as follows:
BGT
Volume: 45 bbl
Type of Fluid: produced water
Tank Construction: steel
Visible sidewalls & liner + detection

Fencing:
Alternate – 4' = 3' Hog wire + Top Rail

Netting:
Screen
Monthly inspections

Signs:
12" x 24", 2" lettering

Dugan Production Corp. authorizes the NMOCD to edit the C-144 with the above information on our behalf.

As for the guidance that is being prepared for required information for closure documents, will the OCD send out a notification by email, or will we need to look for it on the OCD website announcement page? I will also start making others in our company aware of the upcoming requirements.

Please let me know if there is anything else that is lacking on this closure report, and I will get it to you. And speaking of, if I have questions regarding any of our C-144's in the future, would you be the person to contact?

Thank you for your help & have a great day.

Tyra Feil
Dugan Production Corp.
PO Box 420
Farmington, NM 87499-0420
505-325-1821 x1029

District I
625 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

BGT 1

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: Bonnie & Ed #1
API Number: 30-045-25120 OCD Permit Number:
U/L or Qtr/Qtr J Section 4 Township 29N Range 15W County: San Juan
Center of Proposed Design: Latitude 36.75464 Longitude -108.41839 NAD27
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_____

CW

3.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC CW
Volume: 45 bbl Type of fluid: produced water
Tank Construction material: steel CW
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off CW CW
☒ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other detection
Liner type: Thickness _____mil ☐ HDPE ☐ PVC ☐ Other _____

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

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 feet height, four strands of barbed wire evenly spaced between one and four feet CW
☒ Alternate. Please specify 4' = 3' Hog wire + Top Rail CW

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.

Variances 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.**

General siting

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. ☐ Yes ☐ No ☐ NA
- ☐ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells

Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. ☐ Yes ☐ No ☐ NA
NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

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)** ☐ Yes ☐ No
- Written confirmation or verification from the municipality; Written approval obtained from the municipality

Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)** ☐ Yes ☐ No
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

Within an unstable area. **(Does not apply to below grade tanks)** ☐ Yes ☐ No
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

Within a 100-year floodplain. **(Does not apply to below grade tanks)** ☐ Yes ☐ No
- FEMA map

Below Grade Tanks

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). ☐ Yes ☐ No
- Topographic map; Visual inspection (certification) of the proposed site

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. ☐ Yes ☐ No
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Temporary Pit using Low Chloride Drilling Fluid (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, playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) ☐ Yes ☐ No
- Topographic map; Visual inspection (certification) of the proposed site

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

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. ☐ Yes ☐ No
NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Within 1000 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 H_2S, 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	☐ Yes ☐ No ☐ 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	☐ Yes ☐ No ☐ 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	☐ Yes ☐ No ☐ 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	☐ 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 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ 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
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. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☐ No
Within a 100-year floodplain. - FEMA map	☐ Yes ☐ 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: CRWhitehead **Approval Date:** October 8, 2021

Title: Environmental Specialist **OCD Permit Number:** BGT 1

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:** September 21, 2021

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.

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 _____ Longitude _____ NAD: ☐1927 ☐ 1983

22.

Operator Closure Certification:

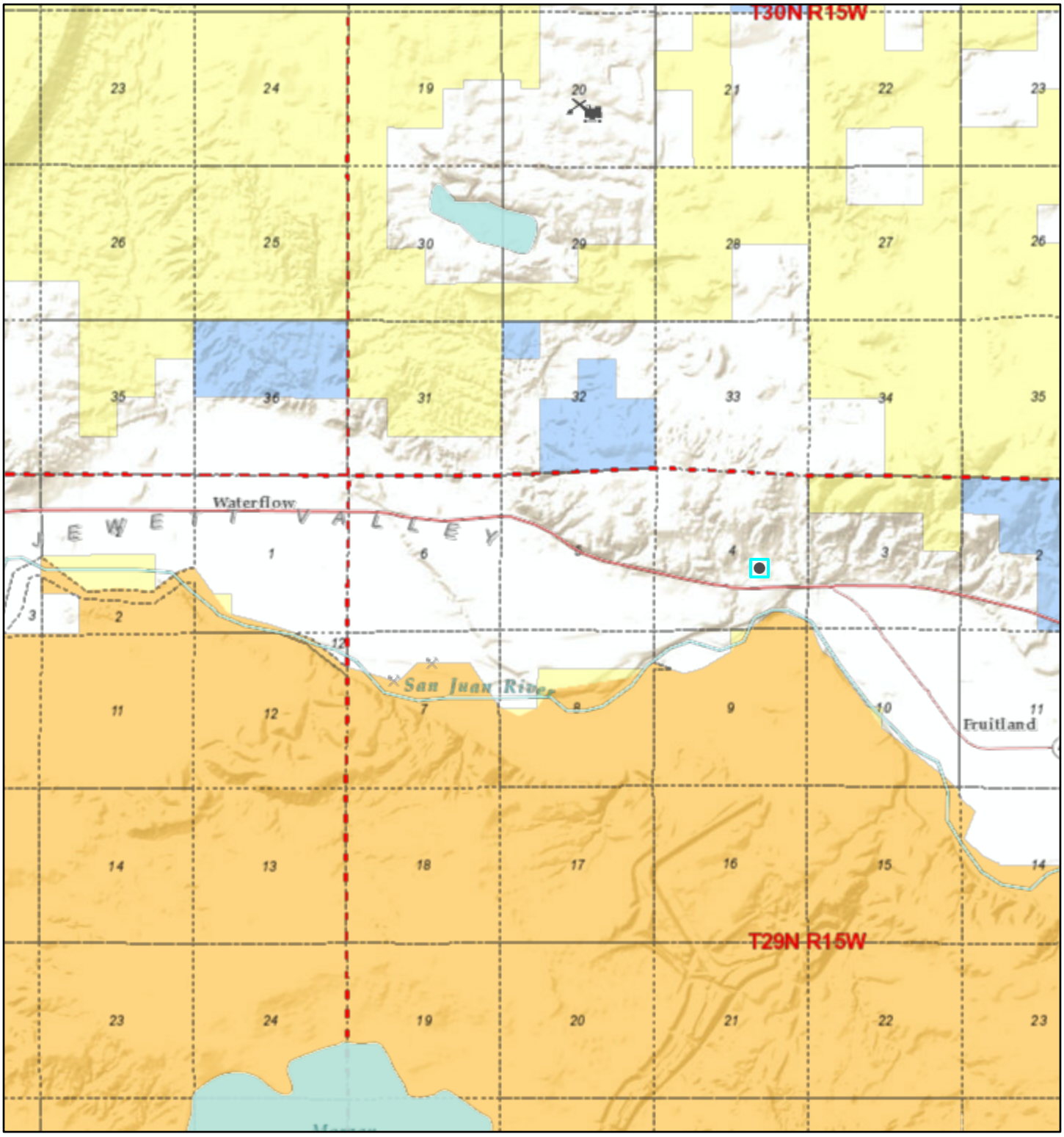
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Kevin Smaka Title: Regulatory Engineer

Signature: Date: September 22, 2021

e-mail address: kevin.smaka@duganproduction.com Telephone: 505-325-1821 x1049

Active Mines in New Mexico



9/22/2021, 9:48:26 AM

1:72,224

0 0.5 1 2 mi

0 0.75 1.5 3 km

Township / Range
Sections

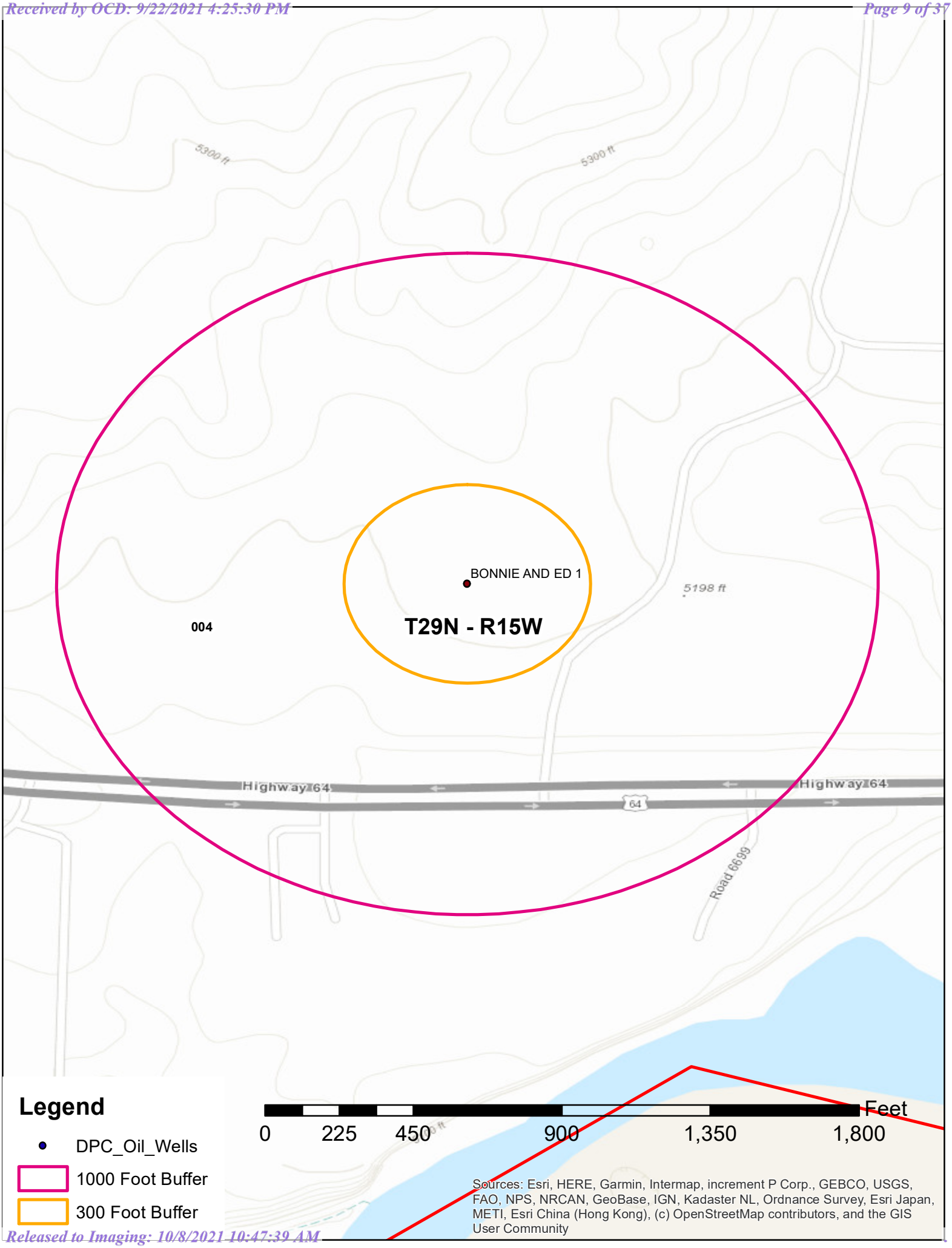
Land Ownership

Bureau of Land Management
Bureau of Reclamation
Department of Agriculture
Department of Defense
Department of Energy
National Park Service
Private Land
State Game and Fish
State Land
State Parks
Tribal

U.S. Bureau of Land Management - New Mexico State Office, Sources: Esri, USGS, NOAA, Sources: Esri, Garmin, USGS, NPS

EMNRD MMD GIS Coordinator

New Energy, Minerals and Natural Resources Department (http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=1b5e577974664d689b47790897ca2795)


5300 ft
5300 ft
BONNIE AND ED 1
5198 ft
004
T29N - R15W
Highway 64
Highway 64
64
Road 6699
Legend
DPC_Oil_Wells
1000 Foot Buffer
300 Foot Buffer
0
225
450
900
1,350
1,800
Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

National Flood Hazard Layer FIRMette

FEMA

108°25'27"W 36°45'33"N

108°24'50"W 36°45'4"N

0 250 500 1,000 1,500 2,000 Feet

1:6,000

Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

Legend

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

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage 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*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

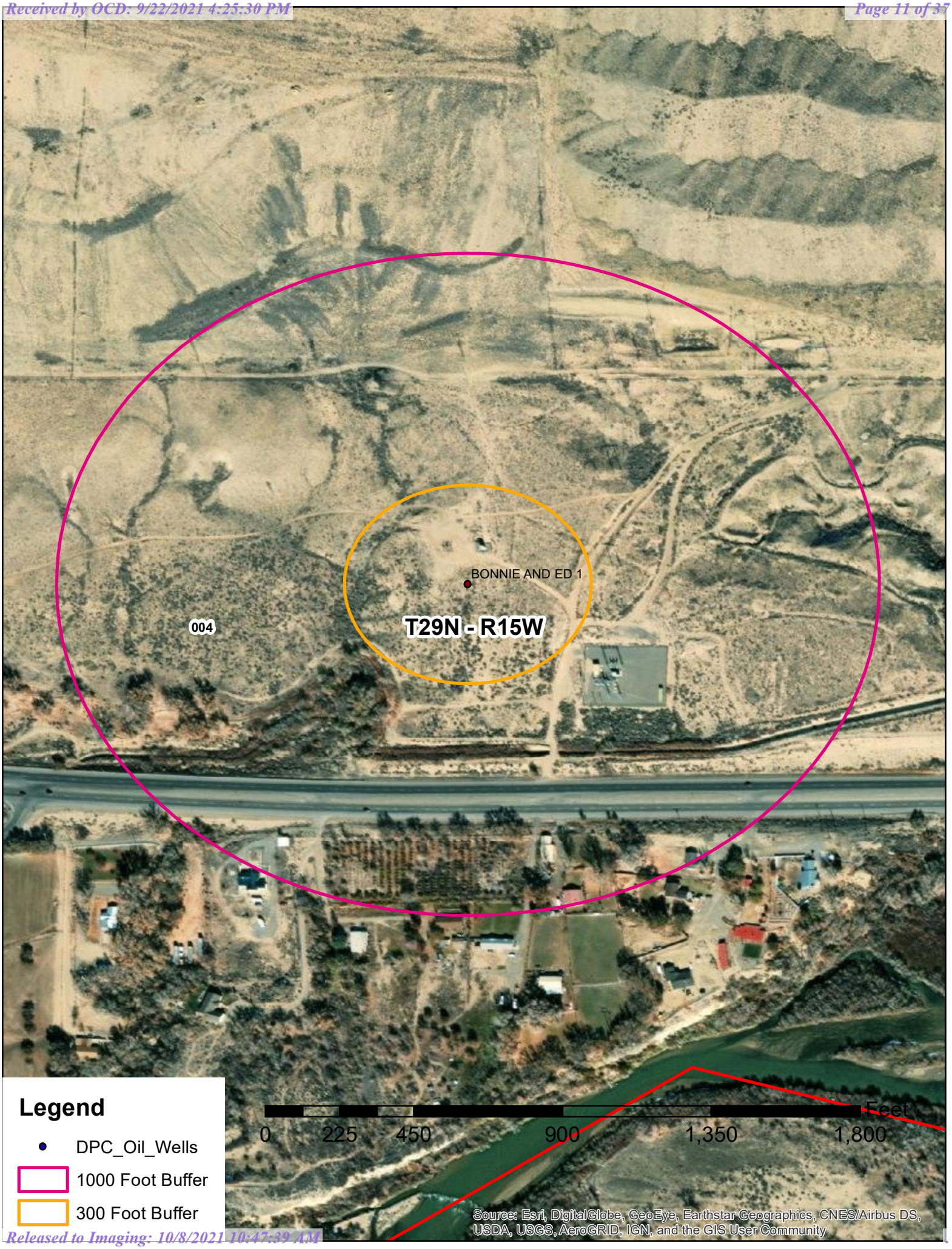
N

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 9/22/2021 at 11:51 AM 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.


BONNIE AND ED 1
T29N - R15W
004
Legend
DPC_Oil_Wells
1000 Foot Buffer
300 Foot Buffer
0
225
450
900
1,350
1,800
Feet
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

No records found.

Basin/County Search:

Basin: San Juan

PLSS Search:

Section(s): 4 **Township:** 29N **Range:** 14W

Dugan Production Corp.

Bonnie and Ed #1

BGT Closure Report

API# 30-045-25120

J-04-29N-15W

2090 FSL 1650 FEL

Dugan Production Corp. has closed the BGT located at the Bonnie and Ed well location. Dugan commenced closure activities on 9/13/2021 by removing the steel pit and sampling soils below the BGT, including wet or stained soils. Prior to commencing these activities notice was provided to the land owner as well as the OCD of our intent to close the pit. Proof of the notice has been included with this report.

Dugan received confirmation sampling results and conferred with the OCD prior to backfilling to ensure sampling results were acceptable to the standards in table 1 of the pit rule. It was determined the results were acceptable and Dugan could proceed with backfilling.

On 9/21/21 Dugan personnel returned to the location and proceeded to backfill the hole using material similar to that found on location and used stockpiled topsoil found n location to complete filling and topping activities.

The location will be seeded with a mix compatible and appropriate for the local vegetative community in the surrounding area.

Due to the lateness in the growing season the location will be seeded, in the Spring of 2022, and monitored for reclamation purposes. The seed will be disced and drilled with a drill seeder. Once successful reclamation has occurred Dugan will provide photo evidence to the division.

The following table is the seed menu we will use to formulate the seed mix:

Table 2. Menu based seed mix for use in reclamation for sagebrush/grass community (minimum requirement) **

Common Name	Scientific Names	Variety	Season	Form	PLS lbs/acre*
Plant two of the following:					
Fourwing saltbush	*Atriplex canescens*	VNS	Cool	Shrub	2.0
Antelope bitterbrush	*Purshia tridentata*	VNS	Cool	Shrub	2.0
Winterfat	*Krascheninnikovia lanata*	VNS	Cool	Shrub	2.0
And three of the following:					
Indian ricegrass	*Achnatherum hymenoides*	Paloma or Rimrock	Cool	Bunch	4.0
Blue grama	*Bouteloua gracilis*	Alma or Hachita	Warm	Sod-forming	2.0
Galleta	*Pleuraphis jamesii*	Viva florets	Warm	Bunch/Sod-forming	3.0
Sand dropseed	*Sporobolus cryptandrus*	VNS	Warm	Bunch	0.5
Western wheatgrass	*Pascopyrum smithii*	Arriba	Cool	Sod-forming	4.0
And one of the following:					
Bottle brush squirreltail	*Elymus elymoides*	Tusas or VNS	Cool	Bunch	3.0
Siberian wheatgrass	*Agropyron fragile*	Vavilov	Cool	Bunch	3.0
And two of the following					
Small burnet	*Sanguisorba minor*	Delar	Cool	Forb	2.0
Rocky Mtn. bee plant	*Cleome serrulata*	Local collection or VNS	Cool	Forb	0.25
Blue flax	*Linum lewisii*	Apar	Cool	Forb	0.25

Solid waste would have been hauled to either Envirotech or IEI land farm facilities:

Envirotech: Permit #NM01-0011 and IEI: Permit # NM01-0010B

Liquid waste would have been hauled to Dugan's SOB SWD facility:

Dugan's Sanchez O'Brien SWD #1 (Permit # SWD-694)

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

State of New Mexico
Energy Minerals and Natural Resources Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

NO SPILL – BGT CLOSURE

Responsible Party

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)*
Contact mailing address PO Box 420, Farmington, NM 87499-0420	

Location of Release Source

Latitude 36.75464 Longitude -108.41839
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Bonnie & Ed #1	Site Type oil well
Date Release Discovered	API# *(if applicable)* 30-045-25120

Unit Letter	Section	Township	Range	County
J	4	29N	15W	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)

☐ Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
☐ Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	☐ Yes ☐ No
☐ Condensate	Volume Released (bbls)	Volume Recovered (bbls)
☐ Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
☐ Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
Cause of Release		

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State of New Mexico
Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ☐ 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

☐ The source of the release has been stopped.
☐ The impacted area has been secured to protect human health and the environment.
☐ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
☐ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not 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: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	
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Site Assessment/Characterization

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

What is the shallowest depth to groundwater beneath the area affected by the release?	_____ (ft bgs)
Did this release impact groundwater or surface water?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	☐ Yes ☐ No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	☐ Yes ☐ No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	☐ Yes ☐ No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ☐ No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ☐ No
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ☐ No
Are the lateral extents of the release overlying an unstable area such as karst geology?	☐ Yes ☐ No
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ☐ No
Did the release impact areas **not** on an exploration, development, production, or storage site?	☐ Yes ☐ No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: ***Each of the following items must be included in the report.***

- ☐ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☐ Field data
- ☐ Data table of soil contaminant concentration data
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☐ Photographs including date and GIS information
- ☐ Topographic/Aerial maps
- ☐ Laboratory data including chain of custody

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

Form C-141
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State of New Mexico
Oil Conservation Division

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

Printed Name: _____ Title: _____

Signature:_____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

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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: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

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State of New Mexico
Oil Conservation Division

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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: _____

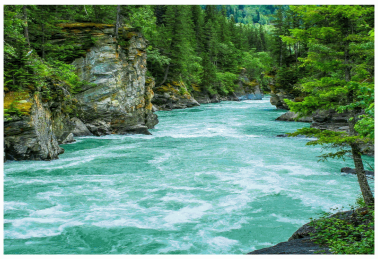
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____

Report to:

Kevin Smaka



5796 U.S. Hwy 64
Farmington, NM 87401

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

NELAP ACCREDITED TNI LABORATORY

envirotech

Practical Solutions for a Better Tomorrow

Analytical Report

Dugan Production Corp.

Project Name: Bonnie & Ed Pit

Work Order: E109038

Job Number: 06094-0177

Received: 9/13/2021

Revision: 1

Report Reviewed By:

Walter Hinchman
Laboratory Director
9/20/21

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: 9/20/21

Kevin Smaka
PO Box 420
Farmington, NM 87499

Project Name: Bonnie & Ed Pit
Workorder: E109038
Date Received: 9/13/2021 12:20:00PM

Kevin Smaka,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 9/13/2021 12:20:00PM, under the Project Name: Bonnie & Ed Pit.

The analytical test results summarized in this report with the Project Name: Bonnie & Ed Pit 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 reguarding 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
ljarboe@envirotech-inc.com

West Texas Midland/Odessa Area
Tom Brown
Technical Representative
Cell: 832-444-7704
tbrown@envirotech-inc.com

Envirotech Web Address: www.envirotech-inc.com

Table of Contents

Sample Summary

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	**Reported:**
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	09/20/21 14:42

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Bonnie & Ed	E109038-01A	Soil	09/13/21	09/13/21	Glass Jar, 4 oz.

Sample Data

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	
PO Box 420	Project Number:	06094-0177	**Reported:**
Farmington NM, 87499	Project Manager:	Kevin Smaka	9/20/2021 2:42:57PM

Bonnie & Ed

E109038-01

Analyte	Result	Reporting Limit	Dilution	Prepared	Analyzed	Notes
Volatile Organic Compounds by EPA 8260B	mg/kg	mg/kg	Analyst: IY			Batch: 2138020
Benzene	ND	0.0250	1	09/15/21	09/15/21	
Ethylbenzene	ND	0.0250	1	09/15/21	09/15/21	
Toluene	ND	0.0250	1	09/15/21	09/15/21	
o-Xylene	ND	0.0250	1	09/15/21	09/15/21	
p,m-Xylene	ND	0.0500	1	09/15/21	09/15/21	
Total Xylenes	ND	0.0250	1	09/15/21	09/15/21	
Surrogate: Bromofluorobenzene		*99.7 %*	*70-130*	*09/15/21*	*09/15/21*	
Surrogate: 1,2-Dichloroethane-d4		*110 %*	*70-130*	*09/15/21*	*09/15/21*	
Surrogate: Toluene-d8		*106 %*	*70-130*	*09/15/21*	*09/15/21*	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	Analyst: IY			Batch: 2138020
Gasoline Range Organics (C6-C10)	ND	20.0	1	09/15/21	09/15/21	
Surrogate: Bromofluorobenzene		*99.7 %*	*70-130*	*09/15/21*	*09/15/21*	
Surrogate: 1,2-Dichloroethane-d4		*110 %*	*70-130*	*09/15/21*	*09/15/21*	
Surrogate: Toluene-d8		*106 %*	*70-130*	*09/15/21*	*09/15/21*	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	Analyst: JL			Batch: 2138026
Diesel Range Organics (C10-C28)	ND	25.0	1	09/15/21	09/16/21	
Oil Range Organics (C28-C36)	ND	50.0	1	09/15/21	09/16/21	
Surrogate: n-Nonane		*107 %*	*50-200*	*09/15/21*	*09/16/21*	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Analyst: IY			Batch: 2138028
Chloride	**758**	20.0	1	09/15/21	09/15/21	

QC Summary Data

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	**Reported:**
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	9/20/2021 2:42:57PM

Volatile Organic Compounds by EPA 8260B

Analyst: IY

Analyte	Result	Reporting Limit	Spike Level	Source Result	Rec	Rec Limits	RPD	RPD Limit	Notes
	mg/kg	mg/kg	mg/kg	mg/kg	%	%	%	%	
Blank (2138020-BLK1)									Prepared: 09/14/21 Analyzed: 09/15/21
Benzene	ND	0.0250							
Ethylbenzene	ND	0.0250							
Toluene	ND	0.0250							
o-Xylene	ND	0.0250							
p,m-Xylene	ND	0.0500							
Total Xylenes	ND	0.0250							
Surrogate: Bromofluorobenzene	*0.509*		*0.500*		*102*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.533*		*0.500*		*107*	*70-130*			
Surrogate: Toluene-d8	*0.529*		*0.500*		*106*	*70-130*			
LCS (2138020-BS1)									Prepared: 09/14/21 Analyzed: 09/15/21
Benzene	2.79	0.0250	2.50		112	70-130			
Ethylbenzene	3.05	0.0250	2.50		122	70-130			
Toluene	3.05	0.0250	2.50		122	70-130			
o-Xylene	2.88	0.0250	2.50		115	70-130			
p,m-Xylene	5.98	0.0500	5.00		120	70-130			
Total Xylenes	8.86	0.0250	7.50		118	70-130			
Surrogate: Bromofluorobenzene	*0.493*		*0.500*		*98.5*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.540*		*0.500*		*108*	*70-130*			
Surrogate: Toluene-d8	*0.529*		*0.500*		*106*	*70-130*			
Matrix Spike (2138020-MS1)				**Source: E109037-01**					Prepared: 09/14/21 Analyzed: 09/15/21
Benzene	2.95	0.0250	2.50	ND	118	48-131			
Ethylbenzene	3.14	0.0250	2.50	ND	125	45-135			
Toluene	3.13	0.0250	2.50	ND	125	48-130			
o-Xylene	3.02	0.0250	2.50	ND	121	43-135			
p,m-Xylene	6.22	0.0500	5.00	ND	124	43-135			
Total Xylenes	9.24	0.0250	7.50	ND	123	43-135			
Surrogate: Bromofluorobenzene	*0.497*		*0.500*		*99.4*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.550*		*0.500*		*110*	*70-130*			
Surrogate: Toluene-d8	*0.526*		*0.500*		*105*	*70-130*			
Matrix Spike Dup (2138020-MSD1)				**Source: E109037-01**					Prepared: 09/14/21 Analyzed: 09/15/21
Benzene	2.77	0.0250	2.50	ND	111	48-131	6.34	23	
Ethylbenzene	3.12	0.0250	2.50	ND	125	45-135	0.543	27	
Toluene	3.09	0.0250	2.50	ND	124	48-130	1.22	24	
o-Xylene	3.00	0.0250	2.50	ND	120	43-135	0.665	27	
p,m-Xylene	6.17	0.0500	5.00	ND	123	43-135	0.944	27	
Total Xylenes	9.16	0.0250	7.50	ND	122	43-135	0.853	27	
Surrogate: Bromofluorobenzene	*0.514*		*0.500*		*103*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.528*		*0.500*		*106*	*70-130*			
Surrogate: Toluene-d8	*0.536*		*0.500*		*107*	*70-130*			

QC Summary Data

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	**Reported:**
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	9/20/2021 2:42:57PM

Nonhalogenated Organics by EPA 8015D - GRO

Analyst: IY

Analyte	Result	Reporting Limit	Spike Level	Source Result	Rec	Rec Limits	RPD	RPD Limit	Notes
	mg/kg	mg/kg	mg/kg	mg/kg	%	%	%	%	
Blank (2138020-BLK1)									Prepared: 09/14/21 Analyzed: 09/15/21
Gasoline Range Organics (C6-C10)	ND	20.0							
Surrogate: Bromofluorobenzene	*0.509*		*0.500*		*102*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.533*		*0.500*		*107*	*70-130*			
Surrogate: Toluene-d8	*0.529*		*0.500*		*106*	*70-130*			
LCS (2138020-BS2)									Prepared: 09/14/21 Analyzed: 09/15/21
Gasoline Range Organics (C6-C10)	51.0	20.0	50.0		102	70-130			
Surrogate: Bromofluorobenzene	*0.493*		*0.500*		*98.6*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.498*		*0.500*		*99.6*	*70-130*			
Surrogate: Toluene-d8	*0.531*		*0.500*		*106*	*70-130*			
Matrix Spike (2138020-MS2)				**Source: E109037-01**					Prepared: 09/14/21 Analyzed: 09/15/21
Gasoline Range Organics (C6-C10)	53.6	20.0	50.0	ND	107	70-130			
Surrogate: Bromofluorobenzene	*0.503*		*0.500*		*101*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.517*		*0.500*		*103*	*70-130*			
Surrogate: Toluene-d8	*0.536*		*0.500*		*107*	*70-130*			
Matrix Spike Dup (2138020-MSD2)				**Source: E109037-01**					Prepared: 09/14/21 Analyzed: 09/15/21
Gasoline Range Organics (C6-C10)	50.4	20.0	50.0	ND	101	70-130	6.16	20	
Surrogate: Bromofluorobenzene	*0.495*		*0.500*		*98.9*	*70-130*			
Surrogate: 1,2-Dichloroethane-d4	*0.553*		*0.500*		*111*	*70-130*			
Surrogate: Toluene-d8	*0.534*		*0.500*		*107*	*70-130*			

QC Summary Data

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	**Reported:**
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	9/20/2021 2:42:57PM

Nonhalogenated Organics by EPA 8015D - DRO/ORO

Analyst: JL

Analyte	Result	Reporting Limit	Spike Level	Source Result	Rec	Rec Limits	RPD	RPD Limit	Notes
	mg/kg	mg/kg	mg/kg	mg/kg	%	%	%	%	
Blank (2138026-BLK1)									Prepared: 09/15/21 Analyzed: 09/15/21
Diesel Range Organics (C10-C28)	ND	25.0							
Oil Range Organics (C28-C36)	ND	50.0							
Surrogate: n-Nonane	*46.3*		*50.0*		*92.5*	*50-200*			
LCS (2138026-BS1)									Prepared: 09/15/21 Analyzed: 09/15/21
Diesel Range Organics (C10-C28)	485	25.0	500		97.0	38-132			
Surrogate: n-Nonane	*47.7*		*50.0*		*95.4*	*50-200*			
Matrix Spike (2138026-MS1)				**Source: E109041-03**					Prepared: 09/15/21 Analyzed: 09/15/21
Diesel Range Organics (C10-C28)	553	25.0	500	28.3	105	38-132			
Surrogate: n-Nonane	*48.9*		*50.0*		*97.9*	*50-200*			
Matrix Spike Dup (2138026-MSD1)				**Source: E109041-03**					Prepared: 09/15/21 Analyzed: 09/15/21
Diesel Range Organics (C10-C28)	531	25.0	500	28.3	100	38-132	4.20	20	
Surrogate: n-Nonane	*49.7*		*50.0*		*99.3*	*50-200*			

QC Summary Data

Dugan Production Corp.	Project Name:	Bonnie & Ed Pit	**Reported:**
PO Box 420	Project Number:	06094-0177	
Farmington NM, 87499	Project Manager:	Kevin Smaka	9/20/2021 2:42:57PM

Anions by EPA 300.0/9056A

Analyst: IY

Analyte	Result	Reporting Limit	Spike Level	Source Result	Rec	Rec Limits	RPD	RPD Limit	Notes
	mg/kg	mg/kg	mg/kg	mg/kg	%	%	%	%	
Blank (2138028-BLK1)									Prepared: 09/15/21 Analyzed: 09/15/21
Chloride	ND	20.0							
LCS (2138028-BS1)									Prepared: 09/15/21 Analyzed: 09/15/21
Chloride	246	20.0	250		98.5	90-110			
Matrix Spike (2138028-MS1)				**Source: E109031-01**					Prepared: 09/15/21 Analyzed: 09/15/21
Chloride	291	20.0	250	42.8	99.3	80-120			
Matrix Spike Dup (2138028-MSD1)				**Source: E109031-01**					Prepared: 09/15/21 Analyzed: 09/15/21
Chloride	301	20.0	250	42.8	103	80-120	3.41	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:	Bonnie & Ed Pit	
PO Box 420	Project Number:	06094-0177	**Reported:**
Farmington NM, 87499	Project Manager:	Kevin Smaka	09/20/21 14:42

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
Project:	Bonnie, Ed Pit
Project Manager:	Kevin Smith
Address:	
City, State, Zip	
Phone:	
Email:	
Report due by:	

Bill To

Attention:	
Address:	
City, State, Zip	
Phone:	
Email:	

Lab Use Only

Lab WO#	Job Number
E109638	06094-0177

TAT

1D	2D	3D	Standard
			X

EPA Program

CWA	SDWA	RCRA

State

NM	CO	UT	AZ	TX	
X					

Time Sampled	Date Sampled	Matrix	No. of Containers	Sample ID	Lab Number	DRO/ORO by 8015	GRO/DRO by 8015	BTEX by 8021	VOC by 8260	Metals 6010	Chloride 300.0	Remarks
8:30	9/13	S	1	Bonnie PEd		X	X	X			X	

Analysis and Method

Additional Instructions:

I, (field sampler), attest to the validity and authenticity of this sample. I am aware that tampering with or intentionally mislabelling the sample location, date or time of collection is considered fraud and may be grounds for legal action. Sampled by: Kevin Smith

Samples requiring thermal preservation must be received on ice the day they are sampled or received packed in ice at an avg temp above 0 but less than 6 °C on subsequent days.

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
	9-13-21	12:20		9-13-21	12:20
Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time

Lab Use Only
Received on ice: (Y) / N
T1 T2 T3
AVG Temp °C 4

Sample Matrix: **S** - Soil, **Sd** - Solid, **Sg** - Sludge, **A** - Aqueous, **O** - Other _____

Container Type: **g** - glass, **p** - poly/plastic, **ag** - amber glass, **v** - VOA

Note: Samples are discarded 30 days after results are reported unless other arrangements are made. Hazardous samples will be returned to client or disposed of at the client expense. The report for the analysis of the above samples is applicable only to those samples received by the laboratory with this COC. The liability of the laboratory is limited to the amount paid for on the report.

envirotech

Envirotech Analytical Laboratory

Printed: 9/13/2021 12:42:08PM

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:	09/13/21 12:20	Work Order ID:	E109038
Phone:	(505) 325-1821	Date Logged In:	09/13/21 12:39	Logged In By:	Jessica Liesse
Email:	kevin.smaka@duganproduction.com	Due Date:	09/20/21 17:00 (5 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	Carrier: Kevin Smaka
4. Was the COC complete, i.e., signatures, dates/times, requested analyses?	Yes	
5. Were all samples received within holding time? Note: Analysis, such as pH which should be conducted in the field, i.e, 15 minute hold time, are not included in this disucssion.	Yes	

Comments/Resolution

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

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

Date

envirotech Inc.

Tyra Feil

From: Kevin Smaka
Sent: Wednesday, September 8, 2021 9:49 AM
To: 'Smith, Cory, EMNRD' <Cory.Smith@state.nm.us>
Cc: Ramon Hancock <Ramon.Hancock@duganproduction.com>; Carlos Ramos <Carlos.Ramos@duganproduction.com>
Subject: BGT Closure Notification

Dugan Production plans to close the BGT located at the Bonnie and Ed well site.

We will meet on location this coming Monday (9/13/2021) at 8:00 AM to collect samples.
As directed by the NMAC the following is provided:

Bonnie and Ed #1
30-045-25120
J-04-29N-15W
2090 FSL 1650 FEL

Ramon please send a certified mail to the land owner of plans to close this BGT.

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

dugan production corp.

September 8, 2021

Kennedy Minerals, LLC
Attn: John Kennedy
48 Road 6050
Farmington, New Mexico 87401

Subject: Bonnie and Ed #1 – Below Grade Tank Testing
San Juan County, New Mexico

Kennedy Minerals, LLC:

Dugan Production Corp (Dugan) plans to close the Below Grade Tank located at the Bonnie and Ed #1 well site. Dugan will meet on location Monday, September 13, 2021, at 8:00 AM to collect the soil samples. If the samples indicate there are no hydrocarbons in the soil Dugan will move forward with the well site reclamation.

As directed by the New Mexico Administrative Code the following is provided:

Well: Bonnie and Ed #1
API Number: 30-045-25120
Location: J-04-29N-15W
2090 FSL 1650FEL

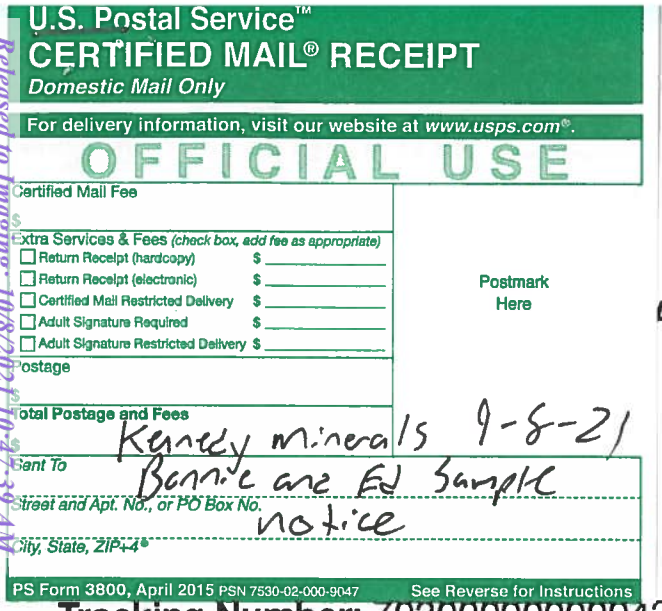
If you have any questions please contact our Regulatory Engineer, Kevin Smaka P.E., at 505-486-6207.

Best Regards,

Dugan Production Corp

Ramon Hancock
Land Manager

709 E. MURRAY DR. • P. O. BOX 420 • FARMINGTON, N.M. 87499-0420 • PHONE: (505) 325-1821 • FAX# (505) 327-4613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- Return Receipt (electronic) $
- Certified Mail Restricted Delivery $
- Adult Signature Required $
- Adult Signature Restricted Delivery $

Postage

Total Postage and Fees

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Kennedy Minerals 9-8-21
Barrie and Ed Sample
notice

Sent To

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

FAQs >

Another Package +

Tracking Number: 70200090000042419019

Remove ×

Your item was picked up at the post office at 12:31 pm on September 13, 2021 in FARMINGTON, NM 87401.

Delivered, Individual Picked Up at Post Office

September 13, 2021 at 12:31 pm
FARMINGTON, NM 87401

Feedback

Text & Email Updates

Tracking History

September 13, 2021, 12:31 pm
Delivered, Individual Picked Up at Post Office
FARMINGTON, NM 87401
Your item was picked up at the post office at 12:31 pm on September 13, 2021 in FARMINGTON, NM 87401.

September 10, 2021, 8:57 am
Available for Pickup
FARMINGTON, NM 87401

September 10, 2021, 8:05 am
Notice Left (No Authorized Recipient Available)

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 51230

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 51230
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
cwhitehead	C-144 closure report approved; however, due to chloride contamination identified during closure of a tank registered prior to 2012, remedial actions will be addressed under incidence number NCZW2128138085.	10/8/2021