District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505

1

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 June 16, 2008

Page 1 of 43

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office. For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office

# BGT1Pit, Closed-Loop System, Below-Grade Tank, orClosure ReportProposed Alternative Method Permit or Closure Plan Application

Type of action: I Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method I Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, 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

Operator: Dugan Production Corp.	OGRID #: 006515
Address. 709 East Murray Drive, Farmington, New Me	exico 87401 RCVD JUL 29 '08
Facility or well name. Squaw Valley #1	· OIL-CONS. DIV.
API Number: 30-045-26629	OCD Permit Number DIST. 3
U/L or Qtr/Qtr K Section 4 Township 2	3N Range 10W County: San Juan
Center of Proposed Design: Latitude36.25484 North	Longitude 107.90232 West NAD: X1927 1983
Surface Owner: 🔲 Federal 🛄 State 🛄 Private 🖾 Tribal Trust or Indian	Allotment
<b><u>Pit</u>:</b> Subsection F or G of 19.15.17.11 NMAC	Closed-loop System: Subsection H of 19.15.17.11 NMAC
Temporary: Drilling Workover	Drying Pad Tanks Haul-off Bins Other
Permanent Emergency Cavitation	Lined Unlined
Lined Unlined	Liner type: Thickness mil LLDPE HDPE PVC
Liner type: Thicknessmil   LLDPE   HDPE   PVC	Other
Other String-Reinforced	Seams: Welded Factory Other
Seams: Welded Factory Other	Volume:bblyd <sup>3</sup>
Volumebbl Dimensions: Lx Wx D	Dimensions: Lengthx Width
Below-grade tank: Subsection I of 19.15.17.11 NMAC	Fencing: Subsection D of 19.15.17.11 NMAC
Volume:95bbl	Chain link, six feet in height, two strands of barbed wire at top
Type of fluid: Produced H2O	Four foot height, four strands of barbed wire evenly spaced between one and
Tank Construction material:Steel	four feet Other Fencing 4'=3' Hog wire + 1 Strand barbed wire
Secondary containment with leak detection	Netting: Subsection E of 19.15.17.11 NMAC
Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Screen Netting X Other_Expanded metal
Visible stdewalls and liner	X Monthly inspections
Visible sidewalls only	Signs: Subsection C of 19.15 17.11 NMAC
X Other No visible sidewalls, Leak detection	I2'x24', 2' lettering, providing Operator's name, site location, and
Liner type: Thicknessmil	emergency telephone numbers
Other	Signed in compliance with 19.15.3.103 NMAC
Alternative Method:	Administrative Approvals and Exceptions:
submitted to the Santa Fe Environmental Bureau office for consideration	19.15.17 NMAC for guidance.
of approval	Please check a box if one or more of the following is requested, if not leave
	Administrative approval(s): Requests must be submitted to the
	appropriate division district or the Santa Fe Environmental Bureau office for
	Exception(s): Requests must be submitted to the Santa Fe
	Environmental Bureau office for consideration of approval.

Form C-144

Oil Conservation Division

Page 1 of 4

e 2	
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. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed- loop system.	
<ul> <li>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</li> <li>NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</li> </ul>	🗌 Yes 🗶 No
<ul> <li>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)</li> <li>Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	🗌 Yes 🗵 No
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</li> <li>(Applies to temporary, emergency, or cavitation pits and below-grade tanks)</li> <li>Visual inspection (certification) of the proposed site; Aerial photo, Satellite image</li> </ul>	□ Yes ⊠ No □ NA
<ul> <li>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (<i>Applies to permanent pits</i>)</li> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> </ul>	□ Yes □ No ⊠ NA
<ul> <li>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock.</li> <li>watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application</li> <li>NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</li> </ul>	🗆 Yes 🗵 No
<ul> <li>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</li> <li>Written confirmation or verification from the municipality; Written approval obtained from the municipality</li> </ul>	🗋 Yes 🖾 No
<ul> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	🗌 Yes 🕱 No
<ul> <li>Within the area overlying a subsurface mine.</li> <li>Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</li> </ul>	🗋 Yes 🕱 No
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	🗋 Yes 🖾 No
Within a 100-year floodplain. - FEMA map	🗋 Yes 🗷 No
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9         Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the d attached.	NMAC focuments are C 15 NMAC
attached.  Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 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 - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC NMAC	19.15.17.15 NMAC
Previously Approved Design (attach copy of design) API Number:	
Form C-144 Oil Conservation Division	4
Page 2 of	т

.

ł

3

remained rits 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 d	ocuments are	
Hindchet. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.15 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment		
<ul> <li>Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>Lack Detection Design - based upon the concerning design - based upon the appropriate requirements of 19.15.17.11 NMAC</li> </ul>		
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC     Quality Control/Quality Assurance Construction and Installation Plan		
<ul> <li>Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC</li> <li>Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC</li> </ul>		
<ul> <li>Nuisance or Hazardous Odors, including H<sub>2</sub>S, Prevention Plan</li> <li>Emergency Response Plan</li> </ul>		
Oil Field Waste Stream Characterization     Monitoring and Inspection Plan     Freeien Centrel Plan		
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC		
Proposed Closure: 19.15.17.13 NMAC		
Type: Drilling Workover Emergency Cavitation Permanent Pit E Below-grade Tank Closed-loop System	Alternative	
Proposed Closure Method: X Waste Excavation and Removal On-site Closure Method (only for temporary pits and closed-loop systems)		
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for co	nsideration)	
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 may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau		
office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.		
<ul> <li>Ground water is less than 50 feet below the bottom of the buried waste.</li> <li>NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</li> </ul>	□ Yes □ No □ NA	
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells		
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	
<ul> <li>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).</li> <li>Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	🗋 Yes 🗋 No	
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</li> <li>Visual inspection (certification) of the proposed site, Aerial photo; Satellite image</li> </ul>	🗌 Yes 🗌 No	
<ul> <li>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.</li> <li>NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site</li> </ul>	🗍 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 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	🗌 Yes 🗌 No	
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division		
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	🗌 Yes 🗌 No	
Within a 100-year floodplain. - FEMA map	🗌 Yes 🗌 No	

Form C-144

.

.

62

ž

CLUSULY MAN. FIPINP INDIPATP IN A CHARGE WARE IN THA HAY THAT THA AACIMA	AAC) Instructions: Each of the following items must be attached to the
I Protocols and Procedures - based upon the appropriate requirements on Confirmation Sampling Plan (if applicable), based upon the appropriate	[19.15.17 13 NMAC
Disposal Facility Name and Permit Number (for liquids, drilling fluids	and drill cuttings)
Sol Backfill and Cover Design Specifications - based upon the appropriate requirements of Subs	rate requirements of Subsection H of 19.15.17.13 NMAC ection I of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of St	bsection G of 19.15.17.13 NMAC
<u>Waste Removal Closure For Closed-loop Systems That Utilize Haul-off</u> or facilities for the disposal of liquids, drilling fluids and drill cuttings.	tins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility
Disposal Facility Name:	Disposal Facility Permit Number:
by a check mark in the box, that the documents are attached.	of the jouowing tiems must be attached to the closure plan. Please indicate,
<ul> <li>Siting Criteria Compliance Demonstrations - based upon the appropriate requirement</li> <li>Proof of Surface Owner Notice - based upon the appropriate requirement</li> </ul>	te requirements of 19.15.17.10 NMAC nts of Subsection F of 19.15.17.13 NMAC
Construction and Design of Burial Trench (if applicable) based upon t	he appropriate requirements of 19.15.17.11 NMAC
Confirmation Sampling Plan (if applicable) - based upon the appropriate	requirements of Subsection F of 19.15.17.13 NMAC
☐ Waste Material Sampling Plan - based upon the appropriate requireme ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids)	ts of Subsection F of 19.15.17.13 NMAC
Soil Cover Design - based upon the appropriate requirements of Subse	tion H of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of Subset	ction 1 of 19:15.17.13 NMAC
Operator Application Certification:	
I hereby certify that the information submitted with this application is true, a	curate and complete to the best of my knowledge and belief.
Name (Print): Kurt Fagrelius	Title: Vice President, Exploration
Signature: Kurt Franching	Date: 7-29-08
e-mail address: kfagrelius@duganproduction.com	Telephone: 505-325-1821 (0), 505-320-8248 (C)
OCD Approval: A Permit Application (including closure plan)	e Plan (only)
OCD Representative Signature: 13-12-12-12-12-12-12-12-12-12-12-12-12-12-	Approval Date: 8-4-08
The tolla	· ·
Inte:	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsect	OCD Permit Number:
Closure Method:	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       □       Waste Excavation and Removal       □       On-Site Closure Method       □       Alt         □       If different from approved plan, please explain.       □       No.       □       If different from approved plan, please explain.	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       □       On-Site Closure Method       □         If different from approved plan, please explain.       Closure Report Attachment Checklist: Instructions: Each of the followin mark in the bay, that the documents are attached	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method         Waste Excavation and Removal       On-Site Closure Method         If different from approved plan, please explain.         Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.         Proof of Closure Notice	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method         Waste Excavation and Removal       On-Site Closure Method         If different from approved plan, please explain.         Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.         Proof of Closure Notice         Proof of Deed Notice (if applicable)         Plot Plan	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method: <ul> <li>Waste Excavation and Removal</li> <li>On-Site Closure Method</li> <li>Alt</li> <li>If different from approved plan, please explain.</li> </ul> Closure Report Attachment Checklist: Instructions: Each of the followin mark in the box, that the documents are attached.       Proof of Closure Notice         Proof of Deed Notice (if applicable)       Plot Plan         Confirmation Sampling Analytical Results       Waste Material Sampling Analytical Results	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method       Alt         If different from approved plan, please explain.       Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.       Proof of Closure Notice         Proof of Deed Notice (if applicable)       Plot Plan       Confirmation Sampling Analytical Results         Use Maste Material Sampling Analytical Results       Disposal Facility Name and Permit Number	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method         Waste Excavation and Removal       On-Site Closure Method         If different from approved plan, please explain.         Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.         Proof of Closure Notice         Proof of Deed Notice (if applicable)         Plot Plan         Confirmation Sampling Analytical Results         Waste Material Sampling Analytical Results         Disposal Facility Name and Permit Number         Soil Backfilling and Cover Installation         Re-vegetation Application Rates and Seeding Technique	OCD Permit Number:
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method       Alt         If different from approved plan, please explain.       Alt         Closure Report Attachment Checklist: Instructions: Each of the followint         mark in the box, that the documents are attached.         Proof of Closure Notice         Proof of Deed Notice (if applicable)         Plot Plan         Confirmation Sampling Analytical Results         Disposal Facility Name and Permit Number         Soil Backfilling and Cover Installation         Re-vegetation Application Rates and Seeding Technique         Stte Reclamation (Photo Documentation)         On-site Closure Location: Latitude -	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         og items must be attached to the closure report. Please indicate, by a check
Inte:	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         agitude
Inne:       PRONOT SPEC         Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method       Alt         If different from approved plan, please explain.       Alt         Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.       Proof of Closure Notice         Proof of Closure Notice       Proof of Deed Notice (if applicable)       Plot Plan         Confirmation Sampling Analytical Results       Waste Material Sampling Analytical Results         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:       Lot         Operator Closure Certification:       I hereby certify that the information and attachments submitted with this closur belief. I also certufy that the closure complies with all applicable closure required	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         ngitude       NAD:         1927       1983         re report is true, accurate and complete to the best of my knowledge and rements and conditions specified in the approved closure plan.
Closure Report (required within 60 days of closure completion):       Subsect         Closure Method:       On-Site Closure Method       Alt         If different from approved plan, please explain.       Alt         Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached.       Proof of Closure Notice         Proof of Deed Notice (if applicable)       Plot Plan       Confirmation Sampling Analytical Results         Waste Material Sampling Analytical Results       Disposal Facility Name and Permit Number       Soil Backfilling and Cover Installation         Re-vegetation Application Rates and Seeding Technique       Site Reclamation (Photo Documentation)       Lo         Operator Closure Certification:       I hereby certify that the information and attachments submitted with this closubelief. I also certufy that the closure complies with all applicable closure required with this closure levels with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure complies with all applicable closure required with the closure compl	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         ngitude       NAD:         1927       1983         re report is true, accurate and complete to the best of my knowledge and rements and conditions specified in the approved closure plan.
Ime:	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         ngitude       NAD:         Image:       NAD:<
Inte:	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         agitude       NAD:         Image: NAD:       1927         Image: NAD:       19
Inte:       Yearson of the second secon	OCD Permit Number:         ion K of 19.15.17.13 NMAC         Closure Completion Date:         ernative Closure Method         g items must be attached to the closure report. Please indicate, by a check         ngitude       NAD:         Image:       1927         ngitude       NAD:         Image:       Imad

-

•

)

### Squaw Valley #1 BGT Closure Report

API # 30-045-26629

K-4-23N-10W

2310 FSL & 2210 FWL

### **Closure Report**

Dugan Production has closed the below grade tank located at Dugan's Squaw Valley #1 wellsite. To begin the process Dugan notified the NMOCD and BLM of out intentions to close the BGT and invited both agencies to witness the tank removal and associated soil sampling. Upon removal the BGT was showing signs of corrosion and imminent failure. The soil below the BGT base were sampled (a 5-point composite sample) and taken to Envirotech for laboratory analysis. For reference the sample was collected <u>8 feet below grade</u>. The soils were tested for chlorides, total petroleum hydrocarbons (TPH; GRO+DRO+ORO) and BTEX.

Results from the lab were above NMOCD regulatory standards. At this point Dugan started excavating the contaminated soils and hauling the contaminated soil to the Envirotech land farm for disposal. Backfill material was hauled from Envirotech to the Squawvalley #1 in preparation for backfilling the hole.

Soil samples were again collected. In this case 6 5-point samples were collected. The four walls and bottom of the project area were sampled as well as chunk of material that sloughed off during sampling. The 6 samples were taken to Envirotech for laboratory analysis. The samples were tested for Chlorides, TPH and BTEX. The lab results indicate they meet the standards of table 1 found in NMAC 19.15.29 and NMAC 19.15.17. Under the current rules the remediation is complete. For clarity the lab results are identified as SQV B, N, S, E, W and slough. SQV stands for squaw valley. B, N, S, E, W stand for bottom, north, south, east and west. Slough represents the 5-point sample collected from material that sloughed off during sampling.

Dugan is requesting an exception to the rules for closure standards. The closure plan on file with NMOCD was based on the standards found in the applicable pit rule when the BGT was registered. Current sampling results do not meet the standards in the closure plan but do meet the standards found in NMAC 19.15.17 and NMAC 19.15.29. It is for this reason Dugan is requesting the division grant closure based on the current rules standards and not the standards listed in the closure plan.

### Depth to Groundwater

Included in the BGT registration is a hydrogeologic report prepared by a geologist. In the report it was noted that ground water in the washes may be found at depths as shallow as 20 feet from surface. The report also stipulates moving away from the washes also means depth to groundwater is found much deeper (200 feet). The BGT is nearly 350 feet away from a nearby wash which means the distance to ground water is nearly 200 feet from surface. A copy of the report has been included.

### **Sensitive Areas**

As part of preparing this report Dugan generated maps of the surrounding area in an attempt to find and water courses, domestic water wells, homes, etc. (All sensitive areas listed in NMAC 19.15.29.12.C.4.a-h). Dugan's investigation into this matter shows that the BGT release area is not within the distances identified in the rule. Based on this information Dugan is seeking closure of the spill based on a distance to groundwater greater than 100 feet. The standards are listed below:

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

A copy of the maps have been included for reference.

### **Reclamation**

This BGT is part of an active production facility. As such Dugan will be addressing contouring and reseeding when the well is plugged and the facility is dismantled. As stipulated in NMAC 19.15.17 Dugan will fill the top of the BGT with top soil and seed the facility to ensure the project area is restored to conditions that existed prior to the wells existence. The area will be monitored and treated for weeds. Once adequate revegetaion has occurred the division will be supplied with pictures of the finished rehabilitation.

In addition some of the sample results are reporting values that are higher than permitted for reclamation in NMAC 19.15.29. When the well is abandoned, Dugan will sample the top 4 feet of the project area to ensure revegetation will safely occur. If the sampling lab results indicate chlorides are less than 600 and TPH is less than 100 Dugan will proceed with reclamation. If the lab results are higher Dugan will remove the contaminated soil and replace it with soil that will support plant growth.

### Squaw Valley #1 Hydrogeologic Report

The Squaw Valley #1 is located on Navajo Indian Allotted land on the Chaco Slope area in San Juan County, New Mexico. The region is characterized as a high arid mesa broken by numerous, deep cutting arroyos.

A records search of the NM Office of the State Engineer -iWATERS database was conducted on a three square mile area centered on the Squaw Valley #1 location (Exhibit 2). One water well 4,200 feet to the north and east of the subject tank was located. This well was drilled to a depth of 373 feet. The top of water was not reported, however, the well was tested at 3.5 gallons per minute. No other information was available on this well. The results of the search are shown on Exhibit 1.

The main source of stock water in the region is encountered in valley-fill deposits in existing arroyos at shallow depths of approximately 15 - 50 feet below the surface. The proposed below grade tank is not located in an arroyo, the closest arroyo is over 400 feet away.

The Nacimiento Formation extends from the surface down to a depth of approximately 125 feet. Thin silty sands can occur near the base. However, the sands are discontinuous, have high silt content and would not be expected to contain any water.

The underlying Ojo Alamo Sandstone ranges from approximately 125 feet down to a depth of approximately 215 feet and is comprised of a coarse grained alluvial sandstone inter-bedded with lenses of mudstone and occasional conglomeratic sandstone. The Ojo Alamo may yield marginal quantities of water for livestock, however, the water quality is typically greater than 1,000 ppm total dissolved solids and high in sulfate.

The Nacimiento and Ojo Alamo are potential sources of water in the area, however, nearby arroyos have breached the surface down to a depth of approximately 60 feet, there are no springs in the area and the zones are not expected to contain water in the area.

Based on electric open hole logs, the iWATERS database and literature reviewed, a water well in the area encountered groundwater at 373 feet, lesser amounts of poor quality ground water might be found at a depth of approximately 200 feet from the basal, Ojo Alamo Sandstone.

- Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.
- Brown, D.R., and Stone, W.J., 1979, Hydrogeology of Aztec quadrangle, San Juan County, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrogeologic Sheet 1.
- Levings, G.W., Craigg, S.D., Dam, W.L. Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah: U.S. Geological Survey, Atlas HA-720-A, Sheet 1 and 2.
- Thorn, C.R., Levings, G.W., Craigg, S.D., Dam, W.L., and Kernodle, J.M., 1990, Hydrogeology of the Ojo Alamo Sandstone in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah: U.S. Geological Survey, Atlas HA-720-B, Sheet 1 and 2.

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

State of New Mexico Energy Minerals and Natural Resources Department

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

)

Incident ID	
District RP	
Facility ID	
Application ID	

### **Release Notification**

### **Responsible Party**

Responsible Party Dugan Production Corp.	OGRID 006515
Contact Name Kevin Smaka	Contact Telephone 505-325-1821 x1049
Contact email Kevin.Smaka@duganproduction.com	Incident # (assigned by OCD) nAPP2213748461
Contact mailing address PO Box 420, Farmington, NM 87499	-

### Location of Release Source

Latitude \_36.2547684\_

Longitude <u>-107.9029388</u> (NAD 83 in decimal degrees to 5 decimal places)

Site Name Squaw Valley #1	Site Type Oil Well
Date Release Discovered 5/17/22	API# (if applicable) 30-045-26629

Unit Letter	Section	Township	Range	County
K	4	23N	10W	San Juan

Surface Owner: State Federal X 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) 10	Volume Recovered (bbls) 0
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		
Below grade tank corrosi	on	

orm C-141	State of New Mexico	Incident ID	NADD2213748461
Page 2 Oil Conservation Division	District RP	<u>INAFF2213740401</u>	
		Facility ID	
		Application ID	
Prelease as defined by 19.15.29.7(A) NMAC? ☐ Yes ⊠ No			
If YES, was immediate n	otice given to the OCD? By whom? To whom? When an	nd by what means (phone, e	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

 $\boxtimes$  The source of the release has been stopped.

It he 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.

Title: <u>Regulatory Engineer</u>

Printed Name: Kevin Smaka

Signature: Ino M. Feil

email: <u>Kevin.Smaka@duganproduction.com</u>

Date: <u>May 17, 2022</u>

\_\_\_\_\_ Telephone: <u>505-325-1821 x1049</u>\_\_\_\_

OCD Only

Received by: Jocelyn Harimon

Date: 05/17/2022

Form C-141 Page 3 State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Page 10 of 43

### Site Assessment/Characterization

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

	1
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.

f

Received by OCD: 6/2	21/2022 1:45:32 PM	Page 11 of 43
Form C-141	State of New Mexico Oil Conservation Division	Incident IDDistrict RPFacility IDApplication ID
I hereby certify that the regulations all operators public health or the env failed to adequately inv addition, OCD acceptar and/or regulations.	information given above is true and complete to the best of my is are required to report and/or file certain release notifications an ironment. The acceptance of a C-141 report by the OCD does n estigate and remediate contamination that pose a threat to ground ace of a C-141 report does not relieve the operator of responsibility.	knowledge and understand that pursuant to OCD rules and ad perform corrective actions for releases which may endanger ot relieve the operator of liability should their operations have dwater, surface water, human health or the environment. In ity for compliance with any other federal, state, or local laws
Signature:	Inter Date:	
email:	Telephone	::
OCD Only		
Received by:	D	ate:

\_

Form C-141 Page 5 State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Page 12 of 43

### **Remediation Plan**

Remediation Plan Checklist: Each of the following items must	be included in the plan.
<ul> <li>Detailed description of proposed remediation technique</li> <li>Scaled sitemap with GPS coordinates showing delineation poin</li> <li>Estimated volume of material to be remediated</li> <li>Closure criteria is to Table 1 specifications subject to 19.15.29</li> <li>Proposed schedule for remediation (note if remediation plan the second schedule for remediation)</li> </ul>	nts .12(C)(4) NMAC neline is more than 90 days OCD approval is required)
Deferral Requests Only: Each of the following items must be co	nfirmed as part of any request for deferral of remediation.
Contamination must be in areas immediately under or around p deconstruction.	roduction equipment where remediation could cause a major facility
Extents of contamination must be fully delineated.	
Contamination does not cause an imminent risk to human healt	h, the environment, or groundwater.
I hereby certify that the information given above is true and complerules and regulations all operators are required to report and/or file which may endanger public health or the environment. The accept liability should their operations have failed to adequately investigat surface water, human health or the environment. In addition, OCD responsibility for compliance with any other federal, state, or local	ete to the best of my knowledge and understand that pursuant to OCD certain release notifications and perform corrective actions for releases ance of a C-141 report by the OCD does not relieve the operator of the and remediate contamination that pose a threat to groundwater, acceptance of a C-141 report does not relieve the operator of laws and/or regulations.
Printed Name:	Title:
Signature:	Date:
email:	Telephone: <u>505-325-1821 x1049</u>
OCD Only	
Received by:	Date:
Approved Approved with Attached Conditions of	Approval Denied Deferral Approved
Signature:	Date:

### 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: <u>Kevin Smaka</u>	Title: <u>Regulatory Engineer</u>
Signature: Mark Sull	Date: <u>June 2, 2022</u>
email: <u>Kevin.Smaka@duganproduction.com</u>	Telephone: <u>505-325-1821 x1049</u>
	,
OCD Only	,
Received by:	Date:
Closure approval by the OCD does not relieve the responsible party remediate contamination that poses a threat to groundwater, surface v party of compliance with any other federal, state, or local laws and/o	of liability should their operations have failed to adequately investigate and water, human health, or the environment nor does not relieve the responsible or regulations.
Closure Approved by:	Date:
Printed Name:	Title:



5796 U.S. Hwy 64 Farmington, NM 87401

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





# envirotech

Practical Solutions for a Better Tomorrow

### **Analytical Report**

### Dugan Production Corp.

**Project Name:** 

Squaw Valley BGT

Work Order:	E205153
Job Number:	06094-0177

Received: 5/27/2022

Revision: 1

Report Reviewed By:

Walter Hinchman Laboratory Director 6/1/22

Envirotech Inc. certifies the test results meet all requirements of TNI unless noted otherwise. Statement of Data Authenticity: Envirotech Inc, attests the data reported has not been altered in any way. Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech Inc. Envirotech Inc, holds the Utah TNI certification NM00979 for data reported. Envirotech Inc, holds the Texas TNI certification T104704557 for data reported. Envirotech Inc, holds the NM SDWA certification for data reported. (Lab #NM00979) Date Reported: 6/1/22

Kevin Smaka PO Box 420 Farmington, NM 87499

Project Name: Squaw Valley BGT Workorder: E205153 Date Received: 5/27/2022 2:20:00PM

Kevin Smaka,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 5/27/2022 2:20:00PM, under the Project Name: Squaw Valley BGT.

The analytical test results summarized in this report with the Project Name: Squaw Valley BGT 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

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

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

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

Envirotech Web Address: www.envirotech-inc.com



.

### Table of Contents

Title Page	1
Cover Page	2
Table of Contents	3
Sample Summary	4
Sample Data	5
SQV B	5
SQV N	6
SQV S	7
SQV E	8
SQV W	9
SQV Slough	10
QC Summary Data	11
QC - Volatile Organics by EPA 8021B	11
QC - Nonhalogenated Organics by EPA 8015D - GRO	12
QC - Nonhalogenated Organics by EPA 8015D - DRO/ORO	13
QC - Anions by EPA 300.0/9056A	14
Definitions and Notes	15
Chain of Custody etc.	16

		Sample Sum	mary			
Dugan Production Corp. PO Box 420 Farmington NM, 87499		an Production Corp. Project Name: 30x 420 Project Number: nington NM, 87499 Project Manager:			<b>Reported:</b> 06/01/22 15:12	
Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container	
SQV B	E205153-01A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	
SQV N	E205153-02A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	
SQV S	E205153-03A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	
SQV E	E205153-04A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	
SQV W	E205153-05A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	
SQV Slough	E205153-06A	Soil	05/27/22	05/27/22	Glass Jar, 4 oz.	



.

Dugan Production Corp.	Project Name:	: Squ	aw Valley BGT			
PO Box 420	Project Numb	er: 060	06094-0177 Kevin Smaka			Reported:
Farmington NM, 87499	Project Manag	ger: Kev				6/1/2022 3:12:09PM
		SQV B		9-9-9-9-9-9-15-9-9-9-9-9-10-5-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-		
		E205153-01				
		Reporting				
Analyte	Result	Limit	Dilution	Prepared	Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg	Analys	t: IY		Batch: 2222089
Benzene	ND	0.0250	1	05/28/22	05/28/22	
Ethylbenzene	ND	0.0250	1	05/28/22	05/28/22	
Toluene	ND	0.0250	1	05/28/22	05/28/22	
o-Xylene	ND	0.0250	1	05/28/22	05/28/22	
p,m-Xylene	ND	0.0500	. 1	05/28/22	05/28/22	
Total Xylenes	ND	0.0250	1	05/28/22	05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		98.3 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	Analyst: IY			Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0	1	05/28/22	05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		89.4 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	g Analyst: JL			Batch: 2223006
Diesel Range Organics (C10-C28)	718	250	10	05/31/22	05/31/22	
Oil Range Organics (C28-C36)	704	500	10	05/31/22	05/31/22	
Surrogate: n-Nonane		94.1 %	50-200	05/31/22	05/31/22	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Analys	t: KL		Batch: 2223008
Chloride	646	20.0	1	05/31/22	05/31/22	

### Sample Data



Dugan Production Corp.	Project Name:	Squa	w Valley BGT			
PO Box 420	Project Numbe	er: 0609	04-0177			Reported:
Farmington NM, 87499	Project Manag	ger: Kevi	in Smaka			6/1/2022 3:12:09PM
	1	SQV N				
		E205153-02			5	
		Reporting				
Analyte	Result	Limit	Dilution	Prepared	Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg	mg/kg Analyst: IY			Batch: 2222089
Benzene	ND	0.0250	1	05/28/22	05/28/22	
Ethylbenzene	ND	0.0250	1	05/28/22	05/28/22	
Toluene	ND	0.0250	1	05/28/22	05/28/22	
o-Xylene	ND	0.0250	1	05/28/22	05/28/22	
p,m-Xylene	ND	0.0500	1	05/28/22	05/28/22	
Total Xylenes	ND	0.0250	1	05/28/22	05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		100 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	Anal	yst: IY		Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0	1	05/28/22	05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		89.3 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	Anal	lyst: JL		Batch: 2223006
Diesel Range Organics (C10-C28)	420	50.0	2	05/31/22	06/01/22	
Oil Range Organics (C28-C36)	475	100	2	05/31/22	06/01/22	
Surrogate: n-Nonane		102 %	50-200	05/31/22	06/01/22	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Anal	lyst: KL		Batch: 2223008
Chloride	685	20.0	1	05/31/22	05/31/22	

### Sample Data



		-				
Dugan Production Corp.	Project Name	e: Squa	aw Valley BGT			
PO Box 420	Project Numb	ber: 0609	94-0177			Reported:
Farmington NM, 87499	Project Mana	iger: Kev	in Smaka			6/1/2022 3:12:09PM
		SQV S				
		E205153-03				
		Reporting				
Analyte	Result	Limit	Dilution	Prepared	Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg	Analys	st: IY		Batch: 2222089
Benzene	ND	0.0250	1	05/28/22	05/28/22	
Ethylbenzene	ND	0.0250	1	05/28/22	05/28/22	
Toluene	ND	0.0250	1	05/28/22	05/28/22	
o-Xylene	ND	0.0250	1	05/28/22	05/28/22	
p,m-Xylene	ND	0.0500	1	05/28/22	05/28/22	
Total Xylenes	ND	0.0250	1	05/28/22	05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		96.6 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	cg Analyst: IY			Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0	1	05/28/22	05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		90.2 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	Analys	st: JL		Batch: 2223006
Diesel Range Organics (C10-C28)	786	250	10	05/31/22	05/31/22	
Oil Range Organics (C28-C36)	1140	500	10	05/31/22	05/31/22	
Surrogate: n-Nonane		99.8 %	50-200	05/31/22	05/31/22	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	Analy	st: KL		Batch: 2223008
Chloride	392	20.0	1	05/31/22	05/31/22	

Sample Data

## envirotech Inc.

.

### **Released to Imaging:** 7/27/2022 4:45:26 PM

Sample Data						
Dugan Production Corp. PO Box 420 Farmington NM, 87499	Project Name:Squaw Valley BGTProject Number:06094-0177Project Manager:Kevin Smaka				<b>Reported:</b> 6/1/2022 3:12:09PM	
		SQV E		ana an (n' ann an Ara Alfana na Ara Anna an Anna Anna A		
		E205153-04				
		Reporting				
Analyte	Result	Limit	Diluti	on Prepared	Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg	Analyst: IY			Batch: 2222089
Benzene	ND	0.0250	1	05/28/22	05/28/22	
Ethylbenzene	ND	0.0250	1	05/28/22	05/28/22	
Toluene	ND	0.0250	1	05/28/22	05/28/22	
o-Xylene	ND	0.0250	1	05/28/22	05/28/22	
p,m-Xylene	ND	0.0500	1	05/28/22	05/28/22	
Total Xylenes	ND	0.0250	1	05/28/22	05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		96.2 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	А	Analyst: IY		Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0	1	05/28/22	05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		90.2 %	70-130	05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	.g Analyst: JL			Batch: 2223006
Diesel Range Organics (C10-C28)	ND	25.0	1	05/31/22	05/31/22	
Oil Range Organics (C28-C36)	ND	50.0	1	05/31/22	05/31/22	
Surrogate: n-Nonane	×	97.5 %	50-200	05/31/22	05/31/22	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	А	analyst: KL		Batch: 2223008
Chloride	326	20.0	1	05/31/22	05/31/22	

## envirotech Inc.

	S	Sample D	ata			
Dugan Production Corp. PO Box 420 Farmington NM, 87499	Project Name:SquawProject Number:06094-Project Manager:Kevin S		aw Valley B 94-0177 vin Smaka	GT		<b>Reported:</b> 6/1/2022 3:12:09PM
		SQV W				
		E205153-05				
		Reporting				
Analyte	Result	Limit	Dilut	tion Prepa	red Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg	1	Analyst: IY		Batch: 2222089
Benzene	ND	0.0250	1	05/28	/22 05/28/22	
Ethylbenzene	ND	0.0250	1	05/28	/22 05/28/22	
Toluene	ND	0.0250	1	05/28	/22 05/28/22	
o-Xylene	ND	0.0250	1	05/28	/22 05/28/22	
p,m-Xylene	ND	0.0500	1	05/28	/22 05/28/22	
Total Xylenes	ND	0.0250	1	05/28	/22 05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		97.7 %	70-130	05/28	/22 05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg	1	Analyst: IY		Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0	. 1	05/28	/22 05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		87.8 %	70-130	05/28	/22 05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg	1	Analyst: JL		Batch: 2223006
Diesel Range Organics (C10-C28)	302	25.0	1	05/31	/22 06/01/22	
Oil Range Organics (C28-C36)	450	50.0	1	05/31	/22 06/01/22	
Surrogate: n-Nonane		100 %	50-200	05/31	/22 06/01/22	
Anions by EPA 300.0/9056A	mg/kg	mg/kg	1	Analyst: KL		Batch: 2223008
Chloride	936	20.0	1	05/31	/22 05/31/22	

Sample Data							
Dugan Production Corp. PO Box 420 Farmington NM, 87499	Project Name Project Num Project Mana	e: Squa ber: 0609 ager: Kev	Squaw Valley BGT 06094-0177 Kevin Smaka				<b>Reported:</b> 6/1/2022 3:12:09PM
		SQV Slough					
		E205153-06					
		Reporting					
Analyte	Result	Limit	Dilı	ution	Prepared	Analyzed	Notes
Volatile Organics by EPA 8021B	mg/kg	mg/kg		Analyst:	IY		Batch: 2222089
Benzene	ND	0.0250		1	05/28/22	05/28/22	
Ethylbenzene	ND	0.0250		1	05/28/22	05/28/22	
Toluene	ND	0.0250		1	05/28/22	05/28/22	
o-Xylene	ND	0.0250		1	05/28/22	05/28/22	
p,m-Xylene	ND	0.0500		1	05/28/22	05/28/22	
Total Xylenes	ND	0.0250		1	05/28/22	05/28/22	
Surrogate: 4-Bromochlorobenzene-PID		102 %	70-130		05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - GRO	mg/kg	mg/kg		Analyst:	IY		Batch: 2222089
Gasoline Range Organics (C6-C10)	ND	20.0		1	05/28/22	05/28/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		88.7 %	70-130		05/28/22	05/28/22	
Nonhalogenated Organics by EPA 8015D - DRO/ORO	mg/kg	mg/kg		Analyst:	JL		Batch: 2223006
Diesel Range Organics (C10-C28)	64.4	25.0		1	05/31/22	05/31/22	
Oil Range Organics (C28-C36)	57.8	50.0		1	05/31/22	05/31/22	
Surrogate: n-Nonane		93.9 %	50-200		05/31/22	05/31/22	•
Anions by EPA 300.0/9056A	mg/kg	mg/kg		Analyst:	KL		Batch: 2223008
Chloride	315	20.0		1	05/31/22	05/31/22	



		QC St	umma	ry Data	a				
Dugan Production Corp. PO Box 420 Farmington NM, 87499		Project Name: Project Number: Project Manager:	Sq 06 Ke	uaw Valley B 094-0177 evin Smaka	GT			-	<b>Reported:</b> 6/1/2022 3:12:09PM
Volatile Organics by EPA 8021B Analyst: IY								Analyst: IY	
Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
Blank (2222089-BLK1)						]	Prepared: 0	5/28/22 Ar	nalyzed: 05/31/22
Benzene Ethylbenzene Toluene o-Xylene p.m-Xylene Total Xylenes Surrogate: 4-Bromochlorobenzene-PID LCS (2222089-BS1) Benzene Ethylbenzene Toluene	ND ND ND ND ND 8.17 5.08 4.74 4.98	0.0250 0.0250 0.0250 0.0250 0.0500 0.0250 0.0250 0.0250 0.0250	8.00 5.00 5.00 5.00		102 101 94.7 99.5	70-130 70-130 70-130 70-130 70-130	Prepared: 0	5/28/22 Ar	nalyzed: 05/31/22
>-Xylene ,m-Xylene Total Xylenes Surrogate: 4-Bromochlorobenzene-PID LCS Dup (2222089-BSD1)	4.93 9.77 14.7 8.07	0.0250 0.0500 0.0250	5.00 10.0 15.0 8.00		98.6 97.7 98.0 101	70-130 70-130 70-130 70-130	Prepared: 0	5/28/22 Ar	nalyzed: 05/31/22
Benzene Ethylbenzene Toluene o-Xylene p.m-Xylene Total Xylenes	5.21 4.85 5.10 5.04 9.99 15.0	0.0250 0.0250 0.0250 0.0250 0.0500 0.0500 0.0250	5.00 5.00 5.00 5.00 10.0 15.0		104 97.0 102 101 99.9 100	70-130 70-130 70-130 70-130 70-130 70-130	2.62 2.40 2.43 2.20 2.25 2.24	20 20 20 20 20 20 20	
Surrogate: 4-Bromochlorobenzene-PID	7.76		8.00		97.0	70-130			

Surrogate: 4-Bromochlorobenzene-PID

		QC S	umma	ry Data	a				
Dugan Production Corp. PO Box 420 Farmington NM 87499		Project Name: Project Number: Project Manager:	Sc 06 K	quaw Valley B 5094-0177 evin Smaka	GT				<b>Reported:</b> 6/1/2022 3:12:09PM
Failington (NN, 6747)	No	onhalogenated C	Organics	by EPA 80	15D - G	RO			Analyst: IY
Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
Blank (2222089-BLK1)							Prepared: 0	5/28/22 A	analyzed: 05/31/22
Gasoline Range Organics (C6-C10)	ND	20.0							
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.38		8.00		92.2	70-130			
LCS (2222089-BS2)							Prepared: 0	5/28/22 A	Analyzed: 05/31/22
Gasoline Range Organics (C6-C10)	45.3	20.0	50.0		90.6	70-130	×		
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.46		8.00		93.2	70-130			
LCS Dup (2222089-BSD2)							Prepared: 0	5/28/22 A	Analyzed: 05/31/22
Gasoline Range Organics (C6-C10)	48.4	20.0	50.0		96.8	70-130	6.63	20	
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.22		8.00		90.3	70-130			

## envirotech Inc.

•

### **Released to Imaging:** 7/27/2022 4:45:26 PM

		QC S	umma	ary Data					
Dugan Production Corp. PO Box 420		Project Name: Project Number:	Se 00	quaw Valley BG 6094-0177	Т				Reported:
Farmington NM, 87499		Project Manager:	K	evin Smaka					6/1/2022 3:12:09PM
	Nonh	alogenated Org	anics by	EPA 8015D	- DRO/	ORO			Analyst: JL
Analyte	Result	Reporting Limit	Spike Level	Source Result	Rec	Rec Limits	RPD	RPD Limit	
	mg/kg	mg/kg	mg/kg	mg/kg	%	%	%	%	Notes
Blank (2223006-BLK1)							Prepared: 05	5/31/22 Ar	nalyzed: 05/31/22
Diesel Range Organics (C10-C28)	ND	25.0							
Oil Range Organics (C28-C36)	ND	50.0							
Surrogate: n-Nonane	44.0		50.0		88.0	50-200			
LCS (2223006-BS1)							Prepared: 05	5/31/22 Ar	nalyzed: 05/31/22
Diesel Range Organics (C10-C28)	504	25.0	500		101	38-132			
Surrogate: n-Nonane	47.5		50.0		95.0	50-200			
Matrix Spike (2223006-MS1)				Source: E	205152-0	3	Prepared: 05	5/31/22 Ar	nalyzed: 05/31/22
Diesel Range Organics (C10-C28)	513	25.0	500	27.2	97.3	38-132			5
Surrogate: n-Nonane	48.0		50.0		96.1	50-200			
Matrix Spike Dup (2223006-MSD1)				Source: E	205152-0	3	Prepared: 05	5/31/22 Ai	nalyzed: 05/31/22
Diesel Range Organics (C10-C28)	514	25.0	500	27.2	97.3	38-132	0.0822	20	
Surrogate: n-Nonane	45.7		50.0		91.4	50-200			



		QC S	Summa	ary Dat	a				
Dugan Production Corp. PO Box 420 Farmington NM, 87499		Project Name: Project Number Project Manager	So : 00 r: K	quaw Valley B 5094-0177 evin Smaka	GT				<b>Reported:</b> 6/1/2022 3:12:09PM
Anions by EPA 300.0/9056A Analyst: KL									
Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
Blank (2223008-BLK1)							Prepared: 0	5/31/22	Analyzed: 05/31/22
Chloride	ND	20.0	>						
LCS (2223008-BS1)							Prepared: 0	5/31/22	Analyzed: 05/31/22
Chloride	240	20.0	250	,	96.0	90-110			
Matrix Spike (2223008-MS1)				Source:	E205153-	01	Prepared: 0	5/31/22	Analyzed: 05/31/22
Chloride	893	20.0	250	646	98.9	80-120			
Matrix Spike Dup (2223008-MSD1)				Source:	E205153-	01	Prepared: 0	5/31/22	Analyzed: 05/31/22
Chloride	882	20.0	250	646	94.6	80-120	1.20	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:	Squaw Valley BGT	
PO Box 420	Project Number:	06094-0177	Reported:
Farmington NM, 87499	Project Manager:	Kevin Smaka	06/01/22 15:12

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.



.

Page / of	TAT EPA Program 10 3D Standard CwA SDWA RCRA State State	NM CO UT AZ TX Remarks						uist de réceivert on ke the day they are sampled on received ess than 6 °C on xidsequent days Leo On Iv.		<b>T3</b>	VOA The report for the analysis of the above	irotech
·	ab WO# Lab Use Only 5 ab WO# Lab Use Only 5 E 205153 26 094-0177 X Analysis and Method / 2011	DRO/ORO by Chloride 300.0 Metals 6010 VOC by 8260 Metals 6010						packed in ice at an avg term place it but it Time	Itime Received on ice: (4) N	$\frac{11}{1000} = \frac{11}{\text{AVG Temp % C}} + \frac{12}{4}$	e: g - glass, p - poly/plastic, ag - amber glass, v - rived to client or disposed of at the client expense. nount paid for on the report.	C env
Chain of Custody	Attention: Bill To Address: City. State, Zip Phone: Email:	Lab Number	1 2 2 -	2 J	V Slough Co.	<u></u>	ist tampering with or intentionally mislabeline the convinced	Received by: Amon Charles	Received by: (Signature) Date	Received by: (Signature) Date	Container Typ arrangements are made. Hazardous samples will be retu- this COC. The liability of the laboratory is limited to the ar	D00016 0417
	un Smart	atrix <sup>No. pt</sup> Sample ID	5 1 50V	SOV E	1 SQU V	-	ry and authenlicity of this sample. I am aware th	ed fraud and may be grounds for legal action.	Date Time	Dàte Time	-Studge, A - Aqueous, O - Other lays after results are reported unless other is samples received by the laboratory with	
Project Information	Client: DL9901 Project: S9991 Project Mander: KC1 Address: City, State, Zip Phone: Email:	Report due by: Time Date Sampled Mi	10:00 5-27-20		>		Additional Instructions: 1, (held sampler), attest to the validity	date or time of collection is consider Helinquished by: (Signakare)	Relinquished by: (Signature)	Relinquished by: (Signature)	Sample Matrix: 5 - Soli, 5d - Solid, 5g - Note: Samples are discarded 30 d samples is applicable only to thos	

Page 29 of 43

Page 16 of 17

Refeased to Imaging: 1/27/2022 4:45:26 PM

### **Envirotech Analytical Laboratory**

Printed: 5/27/2022 2:27:02PM

Page 30 of 43

Sample Receipt Checklist (SRC)

Instructions: Please take note of any NO checkmarks.

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 req	uested.

Client:	Dugan Production Corp.	Date Received:	05/27/22 14:20	Work Order ID:	E205153
Phone: Email:	505-486-6207 kevin.smaka@duganproduction.com	Date Logged In: Due Date:	05/27/22 14:22 06/06/22 17:00 (5 day TAT)	Logged In By:	Caitlin Christian

### Chain of Custody (COC)

ī

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	
<ol> <li>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.</li> </ol>	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	
<ul> <li>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</li> <li>13. If no visible ice, record the temperature. Actual sample temperature: 4°C</li> </ul>	Yes	
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	
<u>Field Label</u> 20. Were field sample labels filled out with the minimum information: Sample ID? Date/Time Collected?	Yes Yes	
Collectors name?	Yes	
Sample Preservation	N.	
21. Does the COC of field labels indicate the samples were preserved?	NO	
22. Are sample(s) correctly preserved? 24. Is lab filteration required and/or requested for dissolved metals?	No	
Netleich and Serverte Medicie	140	
Multiphase Sample Matrix 26 Dass the comple have more than one phase i.e. multiphase?	Ne	
20. Does the sample have more than one phase, i.e., multiphase:	INU NIA	
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	Colorate d Labor
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.

envirotech Inc.

### Kevin Smaka

Kevin Smaka
Wednesday, May 25, 2022 11:37 AM
'Velez, Nelson, EMNRD'; 'Adeloye, Abiodun A'; 'Joyner, Ryan N
Carlos Ramos; Dalvin Harrison
Notice of Sampling

Dugan will be sampling soils at Dugan's Squaw Valley #1 this Friday, 5/27/22 @ 10:00 AM. Please see the following for the wells information;

Squaw Valley #1 30-045-26629 K-04-23N-10W 2310 FSL 2210 FWL

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

### **Kevin Smaka**

Kevin Smaka
Monday, May 9, 2022 10:18 AM
Emmanuel Adeloye; Velez, Nelson, EMNRD
Carlos Ramos; Marty Foutz; Mario Ulibarri
BGT Soil Sampling

Dugan will be gathering soil samples this Thursday 5/12/2022 @ 10:00 AM at the Squaw Valley 1. The below grade tank at the site is showing signs of failure. To our knowledge nothing has been spilled.

We will sample under the BGT to verify the soil is in good condition. If this is the case a new pit will be installed and a C-144 filed with OCD.

Squaw Valley 1 API# 30-045-26629 K-04-23N-10W 2310 FSL 2210 FWL

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





the second se

# Vational Flood Hazard Layer FIRMette





AREA OF MINIMAL FLOOD HAZARD

Zoney

Navajo Indian Reservation

350THR

(10/2/2010)

ZoneA

500

1:6,000

Feet

2,000

1,500

1,000

Department of Agriculture

### Active Mines in New Mexico

**T24N R10W** 23 19 20 22 2.1 27 35 32 1.2 16 31 11 2 6 5 11 7023 17 16 13 18 T23N R10W 22 21 19 20 6/1/2022, 11:24:10 AM 1:72,224 0 0.5 1 2 mi Township / Range Department of Defense State Land 0 0.75 1.5 3 km Sections Department of Energy State Parks Land Ownership National Park Service Tribal **Bureau of Land Management** Private Land Bureau of Reclamation U.S. Bureau of Land Management - New Mexico State Office, Sources: Esri, USGS, NOAA, Sources: Esri, Garmin, USGS, NPS State Game and Fish

EMNRD MMD GIS Coordinator Released to Imaging: 7/29/2029 Mc43: 26 PMGI Resources Department (http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=1b5e577974664d689b47790897ca2795)

### Page 37 of 43



Released to Imaging: 7/27/2022 4:45:26 PM



Page 38 of 43

Released to Imaging: 7/27/2022 4:45:26 PM





Page 40 of 43





Page 42 of 43

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

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	119088
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)

### CONDITIONS

Created By	Condition	Condition Date
jburdine	Conditions of Approval: Release confirmed, remediation required per 19.15.29 NMAC see incident # nAPP2213748461, BGT Closure report approved.	7/27/2022

### Page 43 of 43

.

CONDITIONS

Action 119088