

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

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
Revised April 3, 2017

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

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

- Type of action: Below grade tank registration
 Permit of a pit or proposed alternative method
BGT2 Closure of a pit, below-grade tank, or proposed alternative method
 Modification to an existing permit/or registration
 Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

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

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

1.
Operator: Dugan Production Corp. OGRID #: 006515
Address: PO Box 420, Farmington, NM 87499-0420
Facility or well name: LH #174 (Tank BGT)
API Number: 30-045-28533 OCD Permit Number: _____
U/L or Qtr/Qtr A Section 32 Township 23N Range 8W County: San Juan
Center of Proposed Design: Latitude 36.188898 Longitude -107.696698 NAD83 570' FNL & 645' FEL
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

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

3.
 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 60 bbl Type of fluid: water
Tank Construction material: steel
 Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
 Visible sidewalls and liner Visible sidewalls only Other _____
Liner type: Thickness 60 mil HDPE PVC Other _____

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

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

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

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

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

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

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

| | |
|---|--|
| Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <u>Temporary Pit Non-low chloride drilling fluid</u> | |
| 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <u>Permanent Pit or Multi-Well Fluid Management Pit</u> | |
| 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |

10.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

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

Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC

Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC

Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC

Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC

Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

11.

Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC

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

Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC

Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC

A List of wells with approved application for permit to drill associated with the pit.

Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC

Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

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

12.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

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

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

13.

Proposed Closure: 19.15.17.13 NMAC

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

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

14.

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

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

15.

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

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

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

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

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

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

17.
Operator Application Certification:
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

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

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

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

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

Closure Completion Date: 4/17/2025

20.
Closure Method:
 Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)
 If different from approved plan, please explain.

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

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

On-site Closure Location: Latitude _____ 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): Eileen Yates Title: EHS Manager

Signature: *Eileen Yates* Date: March, 26, 2026

e-mail address: Eileen.Yates@duganproduction.com Telephone: 505-787-9832

Dugan Production Corp.

Lease Name: L H #174

Below Grade Tank 2 Closure Report

API No.: 30-045-28533

State Lease: LH0174

NM OCD Tank ID: ycon2510750108

A-32-23N-08W

570 FNL 645 FEL

Surface Owner: State

Below-Grade Tank Closure Summary:

Dugan Production Corp. completed closure of the below-grade tank located at the L H #174 well location (API No. 30-045-28533). Closure activities were conducted in accordance with the Below-Grade Tank Closure Plan approved by the New Mexico Oil Conservation Division on April 17, 2025, and in compliance with the substantive technical requirements of 19.15.17 NMAC.

Closure activities included removal of liquids and sludge, removal and disposal of the below-grade tank, soil sampling and analysis, backfilling excavation, recontouring of the disturbed area, and tank site reclamation.

Below-Grade Tank Permit History:

In accordance with 19.15.17.13 NMAC, the following summarizes the closure of the above-referenced below-grade tank. The closure plan for NM OCD Tank ID ycon251075018 was approved on April 17, 2025, with no listed conditions of approval.

The April 17, 2024 Detail in the Pit & Containment Events record states the following: Closure plan received for existing, unregistered BGT: 60 bbl, steel; visible sidewalls only, 60 mil, HDPE liner; four-foot-high fencing w/ four strands of barbed wire evenly spaced between one and four feet; w/ netting and signage. DTW estimated to be > 50 < 100 ft bgs.

Dugan Production Corp. complied with Tier II constituent levels listed in Table I of NMAC 19.15.17.13, as directed.

Subsequent closure activities, including tank removal, soil sampling, and backfilling were conducted in accordance with the substantive technical requirements of 19.15.17 NMAC.

BGT Closure:

Dugan Production Corp. has successfully closed the below-grade tank located at L H #174 well location. The closure procedures implemented by Dugan were conducted in accordance with the Below-Grade Tank Closure Plan submitted to the New Mexico Oil Conservation Division on April 17, 2025.

General Plan:

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

The above-mentioned Below-Grade Tank Permit Application was approved by the New Mexico Oil Conservation Division (NMOCD) on April 17, 2025, subject to the compliance criteria obtained in the Pit & Containment Detail.

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

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

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

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

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

All equipment has been removed from the well site.

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

The depth to groundwater at the site was greater than 50 feet and less than 100 feet below the base of the below grade tank, meeting the closure criteria for Tier II constituent levels.

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

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

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

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

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

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

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

No evidence of a release within the below-grade tank site was observed during the visual inspection or indicated by the analytical results of the soil samples

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

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

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

Notification is included in **Appendix A: Notifications**

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

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

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

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

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

Final reclamation will be completed by Dugan Production Corp. and described in the well's plugging and abandonment reclamation plan using Division-approved seed mixes.

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

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

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

- Soil Backfilling and Cover Installation, included in this report.
- Revegetation application rates and seeding techniques will be included in the final plugging and abandonment report for the well.
- Closure notifications, see **Appendix A: Notification**.
- Soil sampling analytical results, see **Appendix B: Soil Analysis**.

Appendix A: Notifications

BGT 2 Closure Notification

LH 174 BGT Closure Notification

Kevin Smaka
 To: eco@slo.state.nm.us; leighp.barr@state.nm.us
 Cc: [James McDaniel](#); [Tyra Feij](#); [Matthew Wilcox](#); [Neil Haws](#); [Cameron Collier](#)

Reply Reply All Forward

Wed 4/23/2025 8:56 AM

Dugan will be closing the BGT located at Dugans LH 174 this coming Monday, 4/28/25 at 10:00 AM. Soil samples will be collected. Here is the site information:

30-045-28533 L H #174 [3738]

General Well Information


| | |
|-------------------|--|
| Operator: | [6515] DUGAN PRODUCTION CORP |
| Status: | Active |
| Well Type: | Oil |
| Work Type: | New |
| Surface Location: | A-32-23N-08W 570 FNL 645 FEL |
| Lat/Long: | 36.1890106,-107.6978607 NAD83 |
| GL Elevation: | 6770 |
| KB Elevation: | |
| DF Elevation: | |

Please contact me if you have questions.

Kevin Smaka P.E.
 Regulatory Engineer
 505-486-6207

Appendix B: Soil Analysis

Figure A: On-Site Form



JAKD SOLUTIONS

ON-SITE FORM

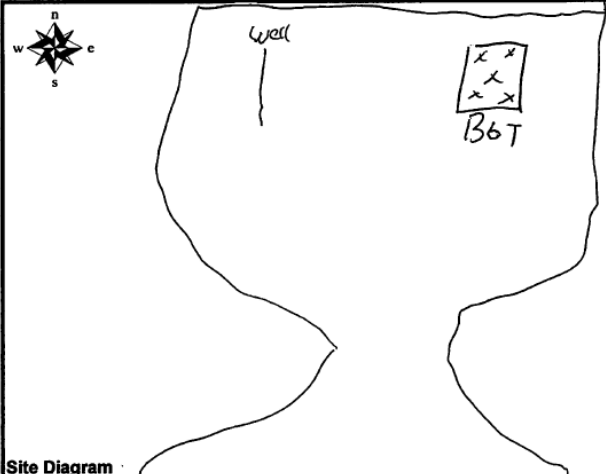
Well Name LH 174 API # 30-045-28533

Section 32 Township 23N Range 08W County Gen. Swan State WV

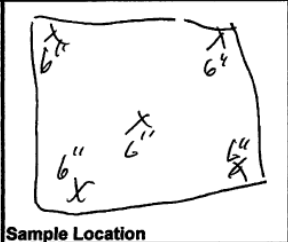
Contractors On-Site JAKD Solutions Time On-Site 10:00 Time Off-Site 10:30

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

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



Site Diagram



Sample Location

Comments _____

| Time | Sample # | Sample Description | Characteristics | Analysis Requested |
|-------|----------|--------------------|-----------------|--------------------|
| 10:10 | 1 | B6T | Sandy, Dirt | SO15, 802, CI |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Name (Print) Leo Reyes Date 4-28-25

Name (Signature) _____ Company _____

Appendix B: Soil Analysis

Figure B: Soil Laboratory Analysis

Report to:
James McDaniel

5796 U.S. Hwy 64
Farmington, NM 87401

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



envirotech

Practical Solutions for a Better Tomorrow

Analytical Report

JAKD Solutions LLC

Project Name: LH 174

Work Order: E504290

Job Number: 25022-0001

Received: 4/28/2025

Revision: 1

Report Reviewed By:

Walter Hinchman
Laboratory Director
5/5/25

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.



Date Reported: 5/5/25

James McDaniel
1686 Bloomfield Blvd
Farmington, NM 87401

Project Name: LH 174
Workorder: E504290
Date Received: 4/28/2025 11:30:00AM

James McDaniel,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 4/28/2025 11:30:00AM, under the Project Name: LH 174.

The analytical test results summarized in this report with the Project Name: LH 174 apply to the individual samples collected, identified and submitted bearing the project name on the enclosed chain-of-custody. Subcontracted sample analyses not conducted by Envirotech, Inc., are attached in full as issued by the subcontract laboratory.

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

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

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

Respectfully,

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

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

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ljjarboe@envirotech-inc.com

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Client Representative
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mgonzales@envirotech-inc.com

Envirotech Web Address: www.envirotech-inc.com

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Sample Summary

| | | |
|--|---|------------------------------------|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 05/05/25 08:05 |
|--|---|------------------------------------|

| Client Sample ID | Lab Sample ID | Matrix | Sampled | Received | Container |
|------------------|---------------|--------|----------|----------|------------------|
| BGT | E504290-01A | Soil | 04/28/25 | 04/28/25 | Glass Jar, 4 oz. |



Sample Data

| | | |
|--|---|--|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 5/5/2025 8:05:18AM |
|--|---|--|

BGT
E504290-01

| Analyte | Result | Reporting Limit | Dilution | Prepared | Analyzed | Notes |
|---|--------|-----------------|-------------|----------|----------------|-------|
| Volatile Organics by EPA 8021B | mg/kg | mg/kg | Analyst: SL | | Batch: 2518038 | |
| Benzene | ND | 0.0250 | 1 | 04/29/25 | 04/30/25 | |
| Ethylbenzene | ND | 0.0250 | 1 | 04/29/25 | 04/30/25 | |
| Toluene | ND | 0.0250 | 1 | 04/29/25 | 04/30/25 | |
| o-Xylene | ND | 0.0250 | 1 | 04/29/25 | 04/30/25 | |
| p,m-Xylene | ND | 0.0500 | 1 | 04/29/25 | 04/30/25 | |
| Total Xylenes | ND | 0.0250 | 1 | 04/29/25 | 04/30/25 | |
| <i>Surrogate: 4-Bromochlorobenzene-PID</i> | | 88.1 % | 70-130 | 04/29/25 | 04/30/25 | |
| Nonhalogenated Organics by EPA 8015D - DRO/ORO | mg/kg | mg/kg | Analyst: KH | | Batch: 2518051 | |
| Diesel Range Organics (C10-C28) | ND | 25.0 | 1 | 04/29/25 | 05/01/25 | |
| Oil Range Organics (C28-C36) | ND | 50.0 | 1 | 04/29/25 | 05/01/25 | |
| <i>Surrogate: n-Nonane</i> | | 97.7 % | 61-141 | 04/29/25 | 05/01/25 | |
| Anions by EPA 300.0/9056A | mg/kg | mg/kg | Analyst: DT | | Batch: 2518052 | |
| Chloride | ND | 20.0 | 1 | 04/29/25 | 04/29/25 | |



QC Summary Data

| | | |
|--|---|--|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 5/5/2025 8:05:18AM |
|--|---|--|

Volatile Organics by EPA 8021B

Analyst: SL

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

Blank (2518038-BLK1)

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|-------------------------------------|------|--------|------|--|------|--------|--|--|--|
| 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: 4-Bromochlorobenzene-PID | 7.35 | | 8.00 | | 91.9 | 70-130 | | | |

LCS (2518038-BS1)

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|-------------------------------------|------|--------|------|--|------|--------|--|--|--|
| Benzene | 5.13 | 0.0250 | 5.00 | | 103 | 70-130 | | | |
| Ethylbenzene | 5.14 | 0.0250 | 5.00 | | 103 | 70-130 | | | |
| Toluene | 5.14 | 0.0250 | 5.00 | | 103 | 70-130 | | | |
| o-Xylene | 5.09 | 0.0250 | 5.00 | | 102 | 70-130 | | | |
| p,m-Xylene | 10.4 | 0.0500 | 10.0 | | 104 | 70-130 | | | |
| Total Xylenes | 15.0 | 0.0250 | 15.0 | | 99.9 | 70-130 | | | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.26 | | 8.00 | | 90.8 | 70-130 | | | |

Matrix Spike (2518038-MS1)

Source: E504285-24

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|-------------------------------------|------|--------|------|----|------|--------|--|--|--|
| Benzene | 5.07 | 0.0250 | 5.00 | ND | 101 | 70-130 | | | |
| Ethylbenzene | 5.03 | 0.0250 | 5.00 | ND | 101 | 70-130 | | | |
| Toluene | 5.07 | 0.0250 | 5.00 | ND | 101 | 70-130 | | | |
| o-Xylene | 4.97 | 0.0250 | 5.00 | ND | 99.3 | 70-130 | | | |
| p,m-Xylene | 10.2 | 0.0500 | 10.0 | ND | 102 | 70-130 | | | |
| Total Xylenes | 15.2 | 0.0250 | 15.0 | ND | 101 | 70-130 | | | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.04 | | 8.00 | | 88.0 | 70-130 | | | |

Matrix Spike Dup (2518038-MSD1)

Source: E504285-24

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|-------------------------------------|------|--------|------|----|------|--------|-------|----|--|
| Benzene | 5.14 | 0.0250 | 5.00 | ND | 103 | 70-130 | 1.37 | 27 | |
| Ethylbenzene | 5.10 | 0.0250 | 5.00 | ND | 102 | 70-130 | 1.25 | 26 | |
| Toluene | 5.13 | 0.0250 | 5.00 | ND | 103 | 70-130 | 1.22 | 20 | |
| o-Xylene | 5.04 | 0.0250 | 5.00 | ND | 101 | 70-130 | 1.55 | 25 | |
| p,m-Xylene | 10.3 | 0.0500 | 10.0 | ND | 103 | 70-130 | 0.886 | 23 | |
| Total Xylenes | 15.3 | 0.0250 | 15.0 | ND | 102 | 70-130 | 1.10 | 26 | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.11 | | 8.00 | | 88.9 | 70-130 | | | |



QC Summary Data

| | | |
|--|---|--|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 5/5/2025 8:05:18AM |
|--|---|--|

Nonhalogenated Organics by EPA 8015D - DRO/ORO

Analyst: KH

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

Blank (2518051-BLK1)

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|---------------------------------|------|------|------|--|------|--------|--|--|--|
| Diesel Range Organics (C10-C28) | ND | 25.0 | | | | | | | |
| Oil Range Organics (C28-C36) | ND | 50.0 | | | | | | | |
| Surrogate: <i>n</i> -Nonane | 48.3 | | 50.0 | | 96.5 | 61-141 | | | |

LCS (2518051-BS1)

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|---------------------------------|------|------|------|--|------|--------|--|--|--|
| Diesel Range Organics (C10-C28) | 254 | 25.0 | 250 | | 102 | 66-144 | | | |
| Surrogate: <i>n</i> -Nonane | 48.6 | | 50.0 | | 97.3 | 61-141 | | | |

Matrix Spike (2518051-MS1)

Source: E504285-30

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|---------------------------------|------|------|------|----|------|--------|--|--|--|
| Diesel Range Organics (C10-C28) | 262 | 25.0 | 250 | ND | 105 | 56-156 | | | |
| Surrogate: <i>n</i> -Nonane | 49.0 | | 50.0 | | 98.1 | 61-141 | | | |

Matrix Spike Dup (2518051-MSD1)

Source: E504285-30

Prepared: 04/29/25 Analyzed: 04/30/25

| | | | | | | | | | |
|---------------------------------|------|------|------|----|------|--------|------|----|--|
| Diesel Range Organics (C10-C28) | 265 | 25.0 | 250 | ND | 106 | 56-156 | 1.24 | 20 | |
| Surrogate: <i>n</i> -Nonane | 49.4 | | 50.0 | | 98.7 | 61-141 | | | |



QC Summary Data

| | | |
|--|---|--|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 5/5/2025 8:05:18AM |
|--|---|--|

Anions by EPA 300.0/9056A

Analyst: DT

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

Blank (2518052-BLK1)

Prepared: 04/29/25 Analyzed: 04/29/25

Chloride ND 20.0

LCS (2518052-BS1)

Prepared: 04/29/25 Analyzed: 04/29/25

Chloride 253 20.0 250 101 90-110

Matrix Spike (2518052-MS1)

Source: E504285-24

Prepared: 04/29/25 Analyzed: 04/29/25

Chloride 516 20.0 250 317 79.8 80-120 M2

Matrix Spike Dup (2518052-MSD1)

Source: E504285-24

Prepared: 04/29/25 Analyzed: 04/29/25

Chloride 545 20.0 250 317 91.4 80-120 5.44 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

| | | |
|--|---|------------------------------------|
| JAKD Solutions LLC 1686 Bloomfield Blvd Farmington NM, 87401 | Project Name: LH 174 Project Number: 25022-0001 Project Manager: James McDaniel | Reported: 05/05/25 08:05 |
|--|---|------------------------------------|

M2 Matrix spike recovery was outside quality control limits. The associated LCS spike recovery was acceptable.

ND Analyte NOT DETECTED at or above the reporting limit

NR Not Reported

RPD Relative Percent Difference

DNI Did Not Ignite

DNR Did not react with the addition of acid or base.

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

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





Chain of Custody

| Client Information | | | | Invoice Information | | | | Lab Use Only | | | | TAT | | | | State | | | | | | | |
|---|--------------|--------|-------------------|---------------------|-------|--------|------------|-----------------|-----------------|---------------------|-------------|--------------------------------------|------------|----------------|---------------|--|------|-----|------|------------|--|--|--|
| Client: JAKO Solution | | | | Company: | | | | Lab WO# | | Job Number | | 1D | 2D | 3D | Std | NM | CO | UT | TX | | | | |
| Project Name: LH 74 | | | | Address: | | | | E504290 | | 25022-0001 | | | | | | | | | | | | | |
| Project Manager: James McDaniel | | | | City, State, Zip: | | | | | | | | | | | | | | | | | | | |
| Address: | | | | Phone: | | | | | | | | | | | | | | | | | | | |
| City, State, Zip: | | | | Email: | | | | | | | | | | | | | | | | | | | |
| Phone: 505-860-1666 | | | | Miscellaneous: | | | | | | | | | | | | | | | | | | | |
| Email: James@jakoSolution.com | | | | | | | | | | | | | | | | | | | | | | | |
| Sample Information | | | | | | | | | | Analysis and Method | | | | | | EPA Program | | | | | | | |
| Time Sampled | Date Sampled | Matrix | No. of Containers | Sample ID | Field | Filter | Lab Number | DRO/DRO by 8015 | GRO/DRO by 8015 | BTEX by 8021 | VOC by 8260 | Chloride 300.0 | BGDOC - NM | TCEQ 1005 - TX | RCRA 8 Metals | Cation/Anion Pkg | SDWA | CWA | RCRA | | | | |
| 10:37 | 4-28-25 | Soil | 1 | B5T | | | 1 | ✓ | | ✓ | | ✓ | | | | | | | | | | | |
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| Additional Instructions: | | | | | | | | | | | | | | | | | | | | | | | |
| I, (field sampler), attest to the validity and authenticity of this sample. I am aware that tampering with or intentionally mislabeling the sample location, date or time of collection is considered fraud and may be grounds for legal action. | | | | | | | | | | | | | | | | | | | | | | | |
| Sampled by: LR | | | | | | | | | | | | | | | | | | | | | | | |
| Relinquished by: (Signature) Leo Reyes | | | | Date 4-28-25 | | | | Time 11:30 | | | | Received by: (Signature) Caitlin Mar | | | | Date 4-28-25 | | | | Time 11:30 | | | |
| Relinquished by: (Signature) | | | | Date | | | | Time | | | | Received by: (Signature) | | | | Date | | | | Time | | | |
| Relinquished by: (Signature) | | | | Date | | | | Time | | | | Received by: (Signature) | | | | Date | | | | Time | | | |
| Relinquished by: (Signature) | | | | Date | | | | Time | | | | Received by: (Signature) | | | | Date | | | | Time | | | |
| Relinquished by: (Signature) | | | | Date | | | | Time | | | | Received by: (Signature) | | | | Date | | | | Time | | | |
| 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 14 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 Analytical Laboratory

Printed: 4/29/2025 11:07:23AM

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: JAKD Solutions LLC Date Received: 04/28/25 11:30 Work Order ID: E504290
Phone: (505) 860-1666 Date Logged In: 04/29/25 11:05 Logged In By: Caitlin Mars
Email: james@jakdsolutions.com Due Date: 05/05/25 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
4. Was the COC complete, i.e., signatures, dates/times, requested analyses? Yes
5. Were all samples received within holding time? Yes

Carrier: LR

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

Sample Turn Around Time (TAT)

- 6. Did the COC indicate standard TAT, or Expedited TAT? No

Sample Cooler

- 7. Was a sample cooler received? No
8. If yes, was cooler received in good condition? NA
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? No

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

- 13. See COC for individual sample temps. Samples outside of 0°C-6°C will be recorded in comments.

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? No
Collectors name? No

Sample Preservation

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

Multiphase Sample Matrix

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

Subcontract Laboratory

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

Client Instruction

Empty box for client instruction.

Comments/Resolution

Sample not received on Ice.

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

Date



envirotech Inc.

Appendix C: Site Photos

Photo 1: BGT Before Removal – Not Available

Photo 2: BGT After Removal



Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 567310

CONDITIONS

| | |
|--|--|
| Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499 | OGRID: 6515 |
| | Action Number: 567310 |
| | Action Type: [C-144] Below Grade Tank Plan (C-144B) |

CONDITIONS

| Created By | Condition | Condition Date |
|----------------|-----------|----------------|
| joseph.kennedy | None | 3/27/2026 |