

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

State of New Mexico  
Energy Minerals and Natural Resources

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

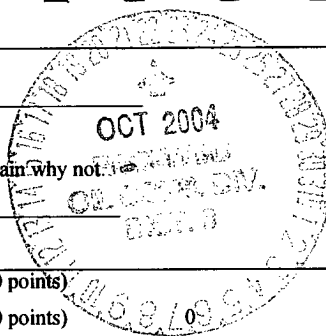
Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>Dugan Production Corp</u> Telephone: <u>(505)325-1821</u> e-mail address: _____		
Address: <u>P.O. Box 420, Farmington, New Mexico 87401</u>		
Facility or well name: <u>Sherman Edward No. 2</u> API #: <u>30-039-21246</u> U/L or Qtr/Qtr <u>M</u> Sec <u>3</u> T <u>29N</u> R <u>5W</u>		
County: <u>San Juan</u> Latitude <u>36.74927</u> Longitude <u>107.35106</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input checked="" type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume <u>1150</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points) 0	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 0 1000 feet or more (0 points)	
<b>Ranking Score (Total Points)</b> 0		

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:
45' x 36' x 5' deep earthen pit., center located 57 feet South 70° East of wellhead.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 10/15/04

Printed Name/Title Jeffrey C. Blagg, Agent, NMPE 11607

Signature Jeffrey C. Blagg

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: DEPUTY OIL & GAS INSPECTOR, DIST. #2


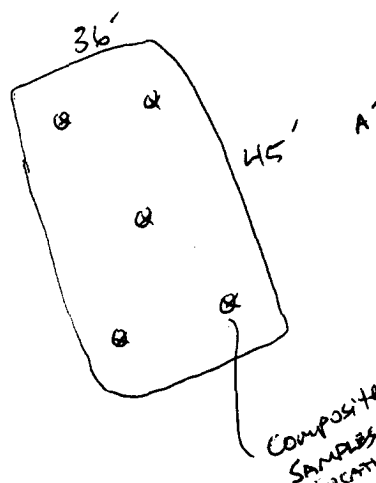
Printed Name/Title

Signature Denny Faint

Date: OCT 22 2004

30-039-21246

36.74927 x 107.35106

CLIENT: <u>DUGAN</u>	<b>BLAGG ENGINEERING, INC.</b> <b>P.O. BOX 87, BLOOMFIELD, NM 87413</b> <b>(505) 632-1199</b>	LOCATION NO: _____ COCR NO: <u>12963</u>																																													
<b>FIELD REPORT: PIT CLOSURE VERIFICATION</b>		PAGE No: <u>1</u> of <u>1</u>																																													
LOCATION: NAME: <u>SHERMAN EDWARD</u> WELL #: <u>2</u> TYPE: <u>WORKOVER</u> QUAD/UNIT: <u>M SEC: 3 TWP: 29N RNG: SW PM: NM CNTY: SJ ST: NM</u> QTR/FOOTAGE: <u>730 FSL x 580 FUL</u> CONTRACTOR: _____		DATE STARTED: <u>9-16-04</u> DATE FINISHED: <u>9-16-04</u> ENVIRONMENTAL SPECIALIST: <u>JCB</u>																																													
EXCAVATION APPROX. <u>NA</u> FT. x <u>NA</u> FT. x <u>NA</u> FT. DEEP. CUBIC YARDAGE: <u>0</u>																																															
DISPOSAL FACILITY: <u>NA</u> REMEDIATION METHOD: <u>CLOSE AS IS</u>																																															
LAND USE: <u>RANGE BLM</u> LEASE: <u>NM 23048</u> FORMATION: <u>PC/MV</u>																																															
FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY <u>57</u> FT. <u>S 70 E</u> FROM WELLHEAD. DEPTH TO GROUNDWATER: <u>&gt;100</u> NEAREST WATER SOURCE: <u>&gt;100</u> NEAREST SURFACE WATER: <u>&gt;100</u> NMOCD RANKING SCORE: <u>0</u> NMOCD TPH CLOSURE STD: <u>5000</u> PPM																																															
SOIL AND EXCAVATION DESCRIPTION:		OVM CALIB. READ. = <u>55.3</u> ppm OVM CALIB. GAS = <u>100</u> ppm RF = 0.52 TIME: <u>1600</u> am/pm DATE: <u>9/16</u>																																													
SOIL TYPE: SAND / SILTY SAND / SILT / <u>SILTY CLAY</u> / CLAY / GRAVEL / OTHER _____ SOIL COLOR: <u>DAKE BROWN</u> COHESION (ALL OTHERS): NON COHESIVE / SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE CONSISTENCY (NON COHESIVE SOILS): LOOSE / <u>FIRM</u> / DENSE / VERY DENSE PLASTICITY (CLAYS): NON PLASTIC / <u>SLIGHTLY PLASTIC</u> / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC DENSITY (COHESIVE CLAYS & SILTS): SOFT / <u>FIRM</u> / STIFF / VERY STIFF / HARD MOISTURE: DRY / <u>SLIGHTLY MOIST</u> / MOIST / WET / SATURATED / SUPER SATURATED DISCOLORATION/STAINING OBSERVED: YES / NO EXPLANATION - _____ HC ODOR DETECTED: YES / <u>NO</u> EXPLANATION - _____ SAMPLE TYPE: GRAB / <u>COMPOSITE</u> - # OF PTS. <u>5</u> <u>45' x 36' x 4' DEEP ABANDON WORKOVER PIT -</u> ADDITIONAL COMMENTS: <u>Historic - over grown with vegetation. Collect 5-Point Composite for analysis.</u>																																															
FIELD 418.1 CALCULATIONS																																															
SCALE 0  1 FT	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMP. TIME</th> <th>SAMP. ID</th> <th>LAB NO.</th> <th>WEIGHT (g)</th> <th>mL FREON</th> <th>DILUTION</th> <th>READING</th> <th>CALC. (ppm)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>		SAMP. TIME	SAMP. ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (ppm)																																					
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<p>P.D. = PIT DEPRESSION; B.G. = BELOW GRADE; B = BELOW T.H. = TEST HOLE; ~ = APPROX.; T.B. = TANK BOTTOM</p>																																															
TRAVEL NOTES: CALLOUT: _____ ONSITE: <u>9-16-04</u>																																															

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

## EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

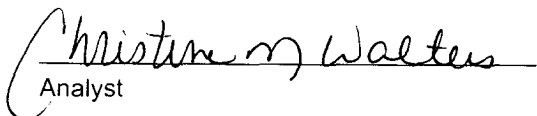
Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Sherman Edward #2	Date Reported:	09-21-04
Laboratory Number:	30511	Date Sampled:	09-16-04
Chain of Custody No:	12963	Date Received:	09-17-04
Sample Matrix:	Soil	Date Extracted:	09-18-04
Preservative:	Cool	Date Analyzed:	09-20-04
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

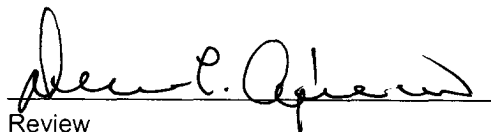
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Pit Testing Workover Pit 5 Pt. Composite.**

  
Analyst

  
Review

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

## TRACE METAL ANALYSIS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Sherman Edward #2	Date Reported:	10-03-04
Laboratory Number:	30511	Date Sampled:	09-16-04
Chain of Custody:	12963	Date Received:	09-17-04
Sample Matrix:	Soil	Date Analyzed:	10-03-04
Preservative:	Cool	Date Digested:	09-18-04
Condition:	Cool & Intact	Analysis Needed:	RCRA Metals

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)	TCLP Regulatory Level (mg/Kg)
Arsenic	0.006	0.001	5.0
Barium	0.204	0.001	100
Cadmium	ND	0.001	1.0
Chromium	0.001	0.001	5.0
Lead	0.001	0.001	5.0
Mercury	ND	0.001	0.2
Selenium	0.002	0.001	1.0
Silver	ND	0.001	5.0

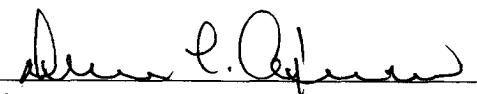
ND - Parameter not detected at the stated detection limit.

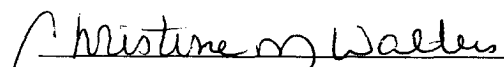
References: Method 3050B, Acid Digestion of Sediments, Sludges and Soils.  
SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emission Spectroscopy, SW-846, USEPA, December 1996.

Note: Regulatory Limits based on 40 CFR part 261 subpart C  
section 261.24, August 24, 1998.

Comments: **Pit Testing Workover Pit 5-Pt. Composite.**

  
Analyst

  
Review

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

## EC, SAR, ESP, CI Analysis

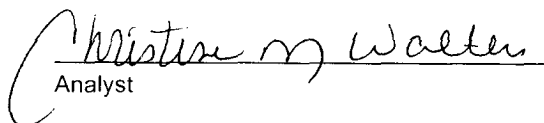
Client: Blagg / Dugan  
Sample ID: Sherman Edward #2  
Laboratory Number: 30511  
Chain of Custody: 12963  
Sample Matrix: Soil  
Preservative: Cool  
Condition: Cool & Intact

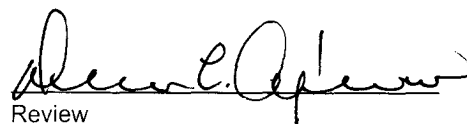
Project #: 94034-010  
Date Reported: 09-21-04  
Date Sampled: 09-16-04  
Date Received: 09-17-04  
Date Extracted: 09-20-04  
Date Analyzed: 09-21-04

Parameter	Analytical Result	Units
Conductivity @ 25° C	0.465	mmhos/cm
Calcium	136.0	mg/Kg
Magnesium	9.76	mg/Kg
Sodium	130	mg/Kg
Sodium Absorption Ratio (SAR)	2.9	ratio
Exchangeable Sodium Percent (ESP)	2.9	percent
Chloride	155	mg/Kg

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.

Comments: Pit Testing Workover Pit 5 Pt. Composite.

  
Analyst

  
Review