

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

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOCD District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

9179

Type of action: ☐ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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 #: 6515
Address: PO Box 420, Farmington, NM 87499
Facility or well name: Ginther Gas Com 2
API Number: 30-045-06512 OCD Permit Number: _____
U/L or Qtr/Qtr K Section 13 Township 27N Range 13W County: San Juan
Center of Proposed Design: Latitude 36.57425N Longitude 108.17258W NAD: ☒ 1927 ☐ 1983
Surface Owner ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☒ P&A
☒ Above Ground Steel Tanks or ☐ Haul-off Bins

3.
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 19.15.3 103 NMAC

4.
Closed-loop Systems 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.
☐ 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 Box 5) - 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: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5.
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations
☐ 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 I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6.
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: _____

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OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only)
OCD Representative Signature: Jonathan D. Kelly **Approval Date:** 11/14/2011
Title: Compliance Officer **OCD Permit Number:** _____

8.
Closure Report (required within 60 days of closure completion): Subsection K of 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:** 9/6/2011

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.
Disposal Facility Name: IEI Disposal Facility Permit Number: NM-01-001-0B
Disposal Facility Name: Sponge Bob SWD 1 Disposal Facility Permit Number: SWD-1046
Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☒ No
Required for impacted areas which will not be used for future service and operations
☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

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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): John Alexander **Title:** Vice President
Signature: John Alexander **Date:** 11/1/2011
e-mail address: john.alexander@duganproduction.com **Telephone:** 505-325-1821



Invoice Number: 17679
Invoice Date: Sep 7, 2011
Page: 1

Industrial Ecosystems Inc.

P.O. Box 1202

Flora Vista, NM 87415

PH (505) 632-1782 Fax: (505) 632-1876

TAX I.D. #94-3200034

PLEASE REMIT PAYMENT TO:

Industrial Ecosystems, Inc.

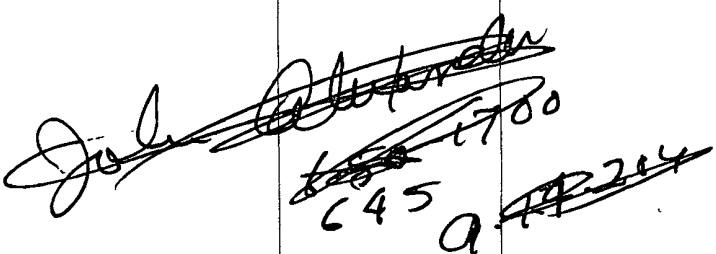
PO Box 1202

Flora Vista, NM 87415

Sold To: DUGAN PRODUCTION CORP
709 E MURRAY DRIVE
FARMINGTON, NM 87499-0420

Location: JOHN ALEXANDER
GINTHER GC #2

Contact	Payment Terms	Due Date	Customer PO
JOHN ALEXANDER	Net 30 Days	10/7/11	

Quantity	Description	Unit Price	Extension
10.00	DATE OF SERVICE: 9/06/11 IEI WO #17722 MATERIAL TRANSPORTED BY RILEY, 18082 DISPOSED OF CEMENT DISPOSAL PER BARREL	17.50	175.00
			

**FOR BILLING INQUIRIES PLEASE CALL
(505) 632-1782**

ACCOUNTS ARE DUE NET 30 DAYS PURCHASER AGREES TO PAY
FINANCE CHARGES OF 1 5% PER MONTH (ANNUAL PERCENTAGE RATE
OF 18%) OR A MINIMUM CHARGE OF 50 PER MONTH ACCOUNTS THAT
HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00
COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND
COLLECTION CHARGES

Subtotal	175.00
Sales Tax	11.05
Total Invoice Amount	186.05
TOTAL	186.05

SEP 09 2011



Invoice Number: 17680
Invoice Date: Sep 7, 2011
Page: 1

Industrial Ecosystems Inc.

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Flora Vista, NM 87415

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Industrial Ecosystems, Inc.

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Flora Vista, NM 87415

Sold To: DUGAN PRODUCTION CORP
709 E MURRAY DRIVE
FARMINGTON, NM 87499-0420

Location: JOHN ALEXANDER
GINTHER GC #2

Contact	Payment Terms	Due Date	Customer PO
JOHN ALEXANDER	Net 30 Days	10/7/11	

Quantity	Description	Unit Price	Extension
	DATE OF SERVICE: 9/02/11		
	IEI WO #17221		
	MATERIAL TRANSPORTED BY RILEY, 18082		
	DISPOSED OF CEMENT		
1.00	CHLORIDE TEST	15.00	15.00
80.00	DISPOSAL PER BARREL	17.50	1,400.00

John Alexander
645 632-1700
9/14/2011

**FOR BILLING INQUIRIES PLEASE CALL
(505) 632-1782**

ACCOUNTS ARE DUE NET 30 DAYS PURCHASER AGREES TO PAY
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OF 18%) OR A MINIMUM CHARGE OF 50 PER MONTH ACCOUNTS THAT
HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00
COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND
COLLECTION CHARGES

Subtotal	1,415.00
Sales Tax	89.32
Total Invoice Amount	1,504.32
TOTAL	1,504.32

SEP 09 2011

original:
Accounting
copy.
Driver

BILL TO: Dugan Production Corp. P. O. Box 420 Farmington, NM 87499	INVOICE NUMBER: 16737 DATE: 8-31-17 TRUCK # 290 DRIVER Frank Venzler Rate Per Hour 90 ⁰⁰
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Well Code	BBLs Hauled		Start Time	Stop Time	Total Hours	Location Descriptions		Odometer Reading		Disposal Charge	Total
	Oil	Water				From	To	Start	End		
1R190S			7:12 ^{AM}	10:12 ^{AM}	3	IR 56 com	Water Box	118659	118691	87.50	270 ⁰⁰
SAR90			10:12 ^{AM}	12:12 ^{PM}	2	SAN JUAN R	Water Box	118691	118717	87.50	180 ⁰⁰
SAR90			12:12 ^{PM}	2:12 ^{PM}	2	IR 56 com	Water Box	118717	118746	87.50	180 ⁰⁰
5100			2:12 ^{PM}	4:12 ^{PM}	1 1/2	Patriot #935	Water Box	118746	118776	87.50	135 ⁰⁰
5100			4:12 ^{PM}	5:30 ^{PM}	1 1/2	Patriot #935	Water Box	118776	118796	87.50	120 ⁰⁰
GIND2			5:30 ^{PM}	7:30 ^{PM}	2	GINTHER GAS	50000000	118796	118796	87.50	180 ⁰⁰
LOE-31	750		TOTALS		12						00 1080