

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

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Dugan Production Corp.	Contact Rodger Mullins
Address PO Box 420, Farmington, NM 87499-0420	Telephone No. (505) 325-1821
Facility Name Blanco Wash #1	Facility Type Oil Well
Surface Owner Navajo Allotted	Mineral Owner Navajo Allotted
API No. 300452247300S1	

LOCATION OF RELEASE

Unit Letter J	Section 02	Township 24N	Range 9W	Feet from the 1550	North/South Line South	Feet from the 1490	East/West Line West	County San Juan
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Latitude 36.34042 Longitude -107.75396

NATURE OF RELEASE

Type of Release oil & water	Volume of Release < 5 bbls	Volume Recovered 0
Source of Release polish rod liner	Date and Hour of Occurrence 10/3/12 unknown	Date and Hour of Discovery 10/3/12 1100
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? BLM, Bill Liess; FIMO, Christine Bitsoi; NMOCD, Brandon Powell; BIA, Bertha Spencer	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Date and Hour <u>10-03-12 1440</u> If YES, Volume Impacting the Watercourse. <u>Less than 5 bbls</u>	

RECYCLED 11'12

If a Watercourse was Impacted, Describe Fully.*
Oil & water ran down a small wash approximately 200 feet.

OIL CONS. DIV.
DIST. 3

Describe Cause of Problem and Remedial Action Taken.*
Oil leaked from under polish rod liner. Well was shut down by pumper.

Describe Area Affected and Cleanup Action Taken.*
Ground around well head & approximately 200' down small wash; contaminated soil will be removed; urea & gypsum will be spread.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Rodger V. Mullins</i>	OIL CONSERVATION DIVISION	
Printed Name: RODGER MULLINS	Approved by Environmental Specialist: <i>Jonathan D. Kelly</i>	
Title: ENVIRONMENTAL	Approval Date: <u>1/8/2014</u>	Expiration Date:
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>10-05-12</u> Phone:		

* Attach Additional Sheets If Necessary

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