

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	P O Box 420, Farmington, NM 87499-0420	Telephone No.	505-326-4548
Facility Name	Mary Lou #1 SWD	Facility Type	Salt Water Disposal
Surface Owner	State	Mineral Owner	State
		API No.	30-045-26460

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	32	24N	10W	800	North	800	East	San Juan

Latitude 36.27505 Longitude 107.91241

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	Approx 15 bbls	Volume Recovered	11 bbls
Source of Release	Filter Pod	Date and Hour of Occurrence	7/5/14 - time unknown	Date and Hour of Discovery	7/5/14 @ 1200 hrs
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Brandon Powell & Cory Smith - NMOCD		
By Whom?	Rodger Mullins	Date and Hour	7/7/14 @ 1017 hrs		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

OIL CONS. DIV DIST. 3

JUL 14 2014

Describe Cause of Problem and Remedial Action Taken.*
Top of a filter pod not tight enough. Filter pod tightened.

Describe Area Affected and Cleanup Action Taken.*
Water stayed on location. Water was sucked up by water truck.

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 Mullins</i>	OIL CONSERVATION DIVISION	
Printed Name:	Rodger Mullins	Approved by Environmental Specialist:	<i>[Signature]</i>
Title:	Production Foreman	Approval Date:	9/5/14
E-mail Address:	rmullins@duganproduction.com	Expiration Date:	
Date:	July 10, 2014	Conditions of Approval:	Attached <input type="checkbox"/>
Phone:	505-325-1821		

* Attach Additional Sheets If Necessary

HNCS 1424854260

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