

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

Form C-141
Revised August 8, 2011

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: Neil Haws
Address PO Box 420, Farmington NM 87499-0420	Telephone No. 505-635-3124
Facility Name: Seoul 88	Facility Type: Gas well
Surface Owner: Federal	Mineral Owner: Indian
API No. 30-0452663000S1	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	9	23N	10W	330	N	330	E	San Juan

Latitude: 36.247527 Longitude: -107.893804

NATURE OF RELEASE

Type of Release: Contaminated Soil	Volume of Release: UNK	Volume Recovered: UNK
Source of Release: ORIGINAL RESERVE PIT	Date and Hour of Occurrence: UNK	Date and Hour of Discovery: 4-27-18
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: None	
If a Watercourse was Impacted, Describe Fully.* NA.		

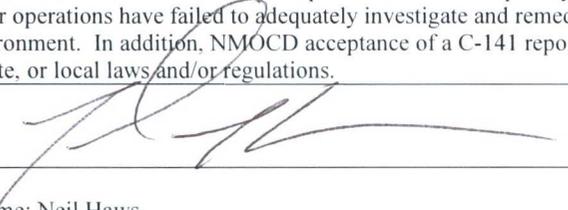
NMOCD
AUG 13 2018
DISTRICT III

Describe Cause of Problem and Remedial Action Taken.* On 4-27-2018 Dugan Production crew was replacing a fiberglass BGT with a larger steel BGT at Seoul 88. While cleaning out cellar area the crew noticed stained soil. Crew removed soil within the cellar area to the mechanical limits of the equipment.

Describe Area Affected and Cleanup Action Taken.* (On location) Stained soil will be removed and taken to an approved land farm, clean soil will be used for replacement as needed.

Final: Stained soil was removed from pit until clean dirt was located; samples were taken and returned within acceptable levels. Stained soil was taken to the Envirotech land farm. Approved soil was brought in to backfill the pit. The new Steel BGT has been set in place, new BGT has been registered and will follow all of the requirements of 19.15.17 NMAC.

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: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Neil Haws	Approved by Envi	<p style="font-size: 2em; font-weight: bold; margin: 0;">DENIED</p> <p style="font-size: 0.8em; margin: 0;">BY: Cory Smith DATE: 8/16/18 (505) 334-6178 Ext. 115 Attached <input type="checkbox"/></p> <p style="color: blue; font-weight: bold; margin: 0;">*INCOMPLETE NO LAB OR REPORT</p>
Title: Environmental	Approval Date:	
E-mail Address: neil.haws@duganproduction.com	Conditions of Approval:	
Date: 8-8-18 Phone: 505-635-3124		

* Attach Additional Sheets If Necessary

#DCS 18 16332174

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