

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

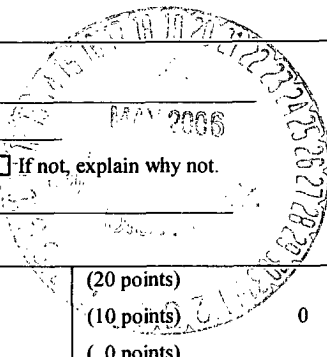
Form C-144
June 1, 2004

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>Nageezi No. 1</u> API #: <u>30-045-05089</u> U/L or Qtr/Qtr <u>N</u> Sec <u>33</u> T <u>24N</u> R <u>9W</u>		
County: <u>San Juan</u> Latitude <u>36.26641</u> Longitude <u>107.79811</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"/>		
Pit Type: Drilling <input type="checkbox"/> Production <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Workover <input 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>102 ±</u> bbl	Below-grade tank 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) 0 100 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)	
Ranking Score (Total Points) 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:
12' x 12' x 4'± deep unlined production pit, center located 306 feet North 25° West of wellhead.
Use backhoe to dig test trenches across pit and collect samples. Submit center & 4-point side composites to laboratory for testing.
<i>Bedrock</i>

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: 5/17/06

Printed Name/Title Jeffrey C Blagg, Agent

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:

Printed Name/Title ENVIRONMENTAL & GAS INSPECTOR, DIST. 4

Signature Jerry Felt

Date: MAY 19 2006

CLIENT: <u>DUGAN</u>	BLAGG ENGINEERING, INC. P.O. BOX 87, BLOOMFIELD, NM 87413 (505) 632-1199	LOCATION NO: _____ COCR NO: <u>14647</u>
FIELD REPORT: PIT CLOSURE VERIFICATION		PAGE No: <u>1</u> of <u>1</u>
LOCATION: NAME: <u>NAGEEZI</u> WELL #: <u>1</u> TYPE: <u>PROD</u> QUAD/UNIT: <u>N</u> SEC: <u>33</u> TWP: <u>24N</u> RNG: <u>9W</u> PM: <u>NM</u> CNTY: <u>SJ</u> ST: <u>NM</u> QTR/FOOTAGE: <u>1120 FSL x 1520 FWL</u> CONTRACTOR: <u>DPC</u>		DATE STARTED: <u>5-3-06</u> DATE FINISHED: <u>5-3-06</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>SF - 078862 A</u> FORMATION: <u>GP</u>		
FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY <u>306</u> FT. <u>N2SW</u> FROM WELLHEAD.		
DEPTH TO GROUNDWATER: <u>>100</u> NEAREST WATER SOURCE: <u>>1000</u> NEAREST SURFACE WATER: <u>>1000</u>		
NMOCD RANKING SCORE: <u>0</u> NMOCD TPH CLOSURE STD: <u>5000</u> PPM		
SOIL AND EXCAVATION DESCRIPTION:		OVM CALIB. READ. = <u>52.1</u> ppm OVM CALIB. GAS = <u>100</u> ppm RF = 0.52 TIME: <u>0615</u> am/pm DATE: <u>5-3-06</u>
SOIL TYPE: SAND / <u>SILTY SAND</u> / SILT / SILTY CLAY / CLAY / GRAVEL / <u>OTHER</u> <u>BEDROCK SANDSTONE @ 3'</u>		
SOIL COLOR: _____		
COHESION (ALL OTHERS): NON COHESIVE / SLIGHTLY COHESIVE / COHESIVE / <u>HIGHLY COHESIVE</u>		
CONSISTENCY (NON COHESIVE SOILS): LOOSE / FIRM / DENSE / <u>VERY DENSE</u>		
PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC		
DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD		
MOISTURE: DRY / <u>SLIGHTLY MOIST</u> / MOIST / WET / SATURATED / SUPER SATURATED		
DISCOLORATION/STAINING OBSERVED: <u>YES</u> NO EXPLANATION - <u>DARK stain on Sandstone surface</u>		
HC ODOR DETECTED: <u>YES</u> NO EXPLANATION - <u>Minor</u>		
SAMPLE TYPE: GRAB / COMPOSITE - # OF PTS. _____		
ADDITIONAL COMMENTS: <u>12'x12'x4'± Deep Unlined Pit. USE BACKHOE</u> <u>to dig into Sandstone & collect samples</u>		

FIELD 418.1 CALCULATIONS							
SAMP. TIME	SAMP. ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (ppm)

SCALE

0 FT

N ↑

PIT PERIMETER

OVM READING

SAMPLE ID	FIELD HEADSPACE (ppm)
1 @	
2 @	
3 @	
4 @	
5 @	
C @ 6'	25
4-Pt @ 6'	123

LAB SAMPLES

SAMPLE ID	ANALYSIS	TIME
C @ 6'	T/B/CL	1020
4-Pt	11	1030

PIT PROFILE

P.D. = PIT DEPRESSION; B.G. = BELOW GRADE; B = BELOW
T.H. = TEST HOLE; ~ = APPROX.; T.B. = TANK BOTTOM

TRAVEL NOTES: CALLOUT: _____ ONSITE: 5-3-06

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

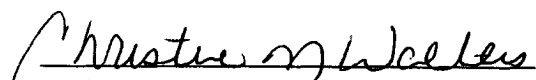
Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-08-06
Laboratory Number:	37031	Date Sampled:	05-03-06
Chain of Custody No:	14647	Date Received:	05-04-06
Sample Matrix:	Soil	Date Extracted:	05-04-06
Preservative:	Cool	Date Analyzed:	05-05-06
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

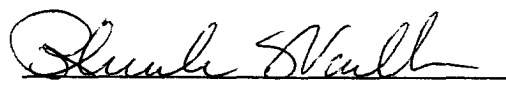
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	0.6	0.2
Diesel Range (C10 - C28)	85.4	0.1
Total Petroleum Hydrocarbons	86.0	0.2

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 Closures C @ 6'.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

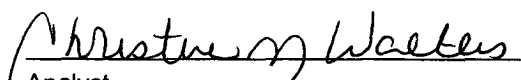
Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-08-06
Laboratory Number:	37032	Date Sampled:	05-03-06
Chain of Custody No:	14647	Date Received:	05-04-06
Sample Matrix:	Soil	Date Extracted:	05-04-06
Preservative:	Cool	Date Analyzed:	05-05-06
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	1.0	0.2
Diesel Range (C10 - C28)	31.1	0.1
Total Petroleum Hydrocarbons	32.1	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 Closures 4 Pt @ 6'.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-08-06
Laboratory Number:	37031	Date Sampled:	05-03-06
Chain of Custody:	14647	Date Received:	05-04-06
Sample Matrix:	Soil	Date Analyzed:	05-05-06
Preservative:	Cool	Date Extracted:	05-04-06
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	1.8
Toluene	12.7	1.7
Ethylbenzene	ND	1.5
p,m-Xylene	40.6	2.2
o-Xylene	6.1	1.0
Total BTEX	59.4	

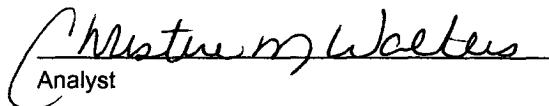
ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	98.0 %
	1,4-difluorobenzene	98.0 %
	Bromochlorobenzene	98.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Pit Closures C @ 6'.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-08-06
Laboratory Number:	37032	Date Sampled:	05-03-06
Chain of Custody:	14647	Date Received:	05-04-06
Sample Matrix:	Soil	Date Analyzed:	05-05-06
Preservative:	Cool	Date Extracted:	05-04-06
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	1.8
Toluene	9.4	1.7
Ethylbenzene	ND	1.5
p,m-Xylene	94.0	2.2
o-Xylene	18.4	1.0
Total BTEX	122	

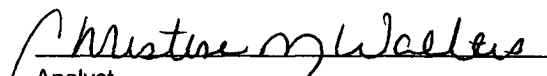
ND - Parameter not detected at the stated detection limit.


Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	99.0 %
	1,4-difluorobenzene	99.0 %
	Bromochlorobenzene	99.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Pit Closures 4 Pt @ 6'.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-05-06
Lab ID#:	37031	Date Sampled:	05-03-06
Sample Matrix:	Soil	Date Received:	05-04-06
Preservative:	Cool	Date Analyzed:	05-05-06
Condition:	Cool and Intact	Chain of Custody:	14647

Parameter	Concentration (mg/Kg)
-----------	-----------------------

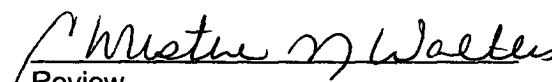
Total Chloride

1,500

Reference: Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Pit Closures C @ 6'.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Nageezi 1 - Prod	Date Reported:	05-05-06
Lab ID#:	37032	Date Sampled:	05-03-06
Sample Matrix:	Soil	Date Received:	05-04-06
Preservative:	Cool	Date Analyzed:	05-05-06
Condition:	Cool and Intact	Chain of Custody:	14647


Parameter	Concentration (mg/Kg)
-----------	-----------------------

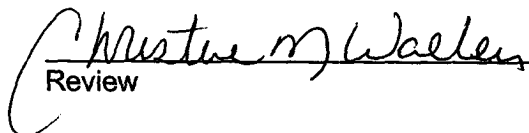
Total Chloride

720

Reference: Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Pit Closures 4 - Pt @ 6'.


Analyst


Review