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: Dugan Production Corp Telephone: (505)325-1821 e-mail address:
Address: P.O. Box 420, Farmington, New Mexico 87401
Facility or well name: Kinsale No. 2 API #: 30-043-20674 U/L or Qtr/Qtr I Sec 26 T 23N R 7W
County: Sandoval Latitude 36.19602 Longitude 107.53765 NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit
Type: Drilling ☐ Production ☒ Disposal ☐
Workover ☐ Emergency ☐
Lined ☐ Unlined ☒
Liner type: Synthetic ☐ Thickness mil Clay ☐
Pit Volume 77 ± bbl

Below-grade tank
Volume: bbl Type of fluid:
Construction material:
Double-walled, with leak detection? Yes ☐ If not, explain why not.

RCVD DEC 14'06
OIL CONS. DIV.
DIST. 3

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	0
	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 your 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 3'± deep unlined production pit, center located at approximately 90 Feet North 13° East of wellhead
Use backhoe to dig into pit and sample. Submit 5-point composite sample from pit walls and base
for laboratory testing.

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: December 11, 2006
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 DEPUTY OIL & GAS INSPECTOR, DIST. #3 Signature Bob Bell Date: DEC 14 2006

36.19602 x 107.55165

CLIENT: DUGAN	BLAGG ENGINEERING, INC. P.O. BOX 87, BLOOMFIELD, NM 87413 (505) 632-1199	LOCATION NO: COCR NO: 14726

FIELD REPORT: PIT CLOSURE VERIFICATION

PAGE No: 1 of 1

LOCATION: NAME: KINSALE WELL #: 2 TYPE: PROD.
QUAD/UNIT: SEC: 26 TWP: 23N RNG: 7W PM: NM CNTY: SN ST: NM
QTR/FOOTAGE: Z170 FSL x S70 FEL CONTRACTOR: SIERRA - HAROLD

DATE STARTED: 11-16-06
DATE FINISHED: 11-16-06
ENVIRONMENTAL SPECIALIST: JCB

EXCAVATION APPROX. NA FT. x NA FT. x NA FT. DEEP. CUBIC YARDAGE: 0
DISPOSAL FACILITY: NA REMEDIATION METHOD: CLOSE AS IS
LAND USE: RANGE - BLM LEASE: NM-28748 FORMATION: GAL

FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY 90 FT. N13E FROM WELLHEAD.
DEPTH TO GROUNDWATER: >100 NEAREST WATER SOURCE: >1000 NEAREST SURFACE WATER: >1000
NMOCD RANKING SCORE: 0 NMOCD TPH CLOSURE STD: 5000 PPM

SOIL AND EXCAVATION DESCRIPTION:

OVM CALIB. READ. = 52.0 ppm
OVM CALIB. GAS = 100 ppm RF = 0.52
TIME: 1100 (am)/pm DATE: 11/16

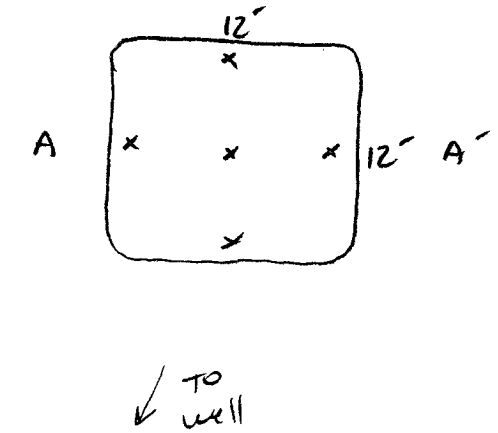
SOIL TYPE: SAND / (SILTY SAND) / SILT / SILTY CLAY / CLAY / GRAVEL / OTHER
SOIL COLOR: TAN
COHESION (ALL OTHERS): NON COHESIVE / (SLIGHTLY COHESIVE) / COHESIVE / HIGHLY COHESIVE
CONSISTENCY (NON COHESIVE SOILS): LOOSE / (FIRM) / DENSE / VERY DENSE
PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC
DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD
MOISTURE: DRY / (SLIGHTLY MOIST) / MOIST / WET / SATURATED / SUPER SATURATED
DISCOLORATION/STAINING OBSERVED: YES / (NO) EXPLANATION -
HC ODOR DETECTED: YES (NO) EXPLANATION -
SAMPLE TYPE: GRAB (COMPOSITE) # OF PTS.
ADDITIONAL COMMENTS: 12' x 12' x 3'± UNLINED PIT. USE BACKHOE TO DIG INTO PIT + SAMPLE

FIELD 418.1 CALCULATIONS

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

SCALE 0 FT

PIT PERIMETER



OVM READING

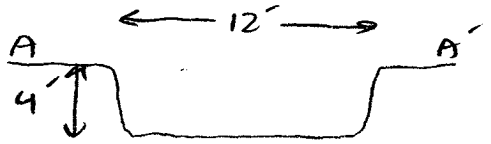
SAMPLE ID	FIELD HEADSPACE (ppm)
1 @	
2 @	
3 @	
4 @	
5 @	
5-pt @ 6'	0.0

LAB SAMPLES

SAMPLE ID	ANALYSIS	TIME
5-pt	T/B/Cl	1155

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

PIT PROFILE



TRAVEL NOTES: CALLOUT: ONSITE: 11-16-06

revised: 09/04/02

bei1005C.skf

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:	Kinsale #2	Date Reported:	11-25-06
Laboratory Number:	39228	Date Sampled:	11-16-06
Chain of Custody No:	14726	Date Received:	11-17-06
Sample Matrix:	Soil	Date Extracted:	11-21-06
Preservative:	Cool	Date Analyzed:	11-25-06
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	**ND**	**0.2**
Diesel Range (C10 - C28)	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	**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 5 - Point Composite**

Analyst

Review

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ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Kinsale #2	Date Reported:	11-25-06
Laboratory Number:	39228	Date Sampled:	11-16-06
Chain of Custody:	14726	Date Received:	11-17-06
Sample Matrix:	Soil	Date Analyzed:	11-25-06
Preservative:	Cool	Date Extracted:	11-21-06
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	**4.9**	**1.8**
Toluene	**9.5**	**1.7**
Ethylbenzene	**6.8**	**1.5**
p,m-Xylene	**6.7**	**2.2**
o-Xylene	**1.1**	**1.0**
Total BTEX	**29.0**	

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 5-Point Composite**

Analyst

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ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Kinsale #2	Date Reported:	11-25-06
Lab ID#:	39228	Date Sampled:	11-16-06
Sample Matrix:	Soil	Date Received:	11-17-06
Preservative:	Cool	Date Analyzed:	11-22-06
Condition:	Cool and Intact	Chain of Custody:	14726

Parameter	Concentration (mg/Kg)
Total Chloride	**38.0**

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

Comments: **Pit Closures 5-Point Composite**

Analyst

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ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	11-25-06 QA/QC	Date Reported:	11-25-06
Laboratory Number:	39221	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	11-25-06
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF:	C-Cal RF:	% Difference	Accept. Range
Gasoline Range C5 - C10	07-11-05	1.0044E+003	1.0054E+003	**0.10%**	**0 - 15%**
Diesel Range C10 - C28	07-11-05	9.9732E+002	9.9932E+002	**0.20%**	**0 - 15%**

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	**ND**	**0.2**
Diesel Range C10 - C28	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	**0.2**

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	**ND**	**ND**	**0.0%**	**0 - 30%**
Diesel Range C10 - C28	**ND**	**ND**	**0.0%**	**0 - 30%**

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	**ND**	**250**	**250**	**100.0%**	**75 - 125%**
Diesel Range C10 - C28	**ND**	**250**	**250**	**100.0%**	**75 - 125%**

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: **QA/QC for Samples 39221 - 39230**

Analyst

Review

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ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	11-25-BTEX QA/QC	Date Reported:	11-25-06
Laboratory Number:	39221	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	11-25-06
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	I-Cal RF:	C-Cal RF:	%Diff. Accept. Range 0 - 15%	Blank Conc	Detect. Limit
Benzene	3.9212E+007	3.9291E+007	0.2%	ND	0.2
Toluene	6.6986E+007	6.7120E+007	0.2%	ND	0.2
Ethylbenzene	3.3341E+007	3.3408E+007	0.2%	ND	0.2
p,m-Xylene	1.2654E+008	1.2680E+008	0.2%	ND	0.2
o-Xylene	6.1775E+007	6.1899E+007	0.2%	ND	0.1

Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff.	Accept Range	Detect. Limit
Benzene	ND	ND	0.0%	0 - 30%	1.8
Toluene	ND	ND	0.0%	0 - 30%	1.7
Ethylbenzene	12.4	12.4	0.0%	0 - 30%	1.5
p,m-Xylene	57.1	57.0	0.2%	0 - 30%	2.2
o-Xylene	19.2	19.1	0.5%	0 - 30%	1.0

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	ND	50.0	49.9	99.8%	39 - 150
Toluene	ND	50.0	50.0	100.0%	46 - 148
Ethylbenzene	12.4	50.0	62.3	99.8%	32 - 160
p,m-Xylene	57.1	100	157	99.9%	46 - 148
o-Xylene	19.2	50.0	69.2	100.0%	46 - 148

ND - Parameter not detected at the stated detection limit.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: **QA/QC for Samples 39221 - 39230**

Analyst

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CHAIN OF CUSTODY RECORD

14726

Client / Project Name	Project Location
BLAGG/DUGAN	PIT CLOSURES
Sampler: JEFF BLAGG	**Client No.** 94034-010

Sample No./ Identification	Sample Date	Sample Time	Lab Number	Sample Matrix	No. of Containers	TPH 8015	BTEX 8021	Cl⁻				Remarks
NAVAJO 10-22-7 #1	11-13-06	1320	39221	SOIL	1	X	X	X				5-POINT COMPOSITE
DOME FEDERAL 10-22-7 #1	"	1335	39222	"	1	X	X	X				"
DOME FEDERAL 15-22-7 #1	"	1400	39223	"	1	X	X	X				"
DOME TESORO 22 #4	"	1430	39224	"	1	X	X	X				"
CHACRA #1	11/16/06	1040	39225	"	1	X	X	X				6-POINT COMPOSITE
DOME NAV. 3-22-7 #1 SEPARATOR	"	1105	39226	"	1	X	X	X				5-POINT COMPOSITE
DOME NAV. 3-22-7 #1 PROD.	"	1110	39227	"	1	X	X	X				"
KINSAE #2	"	1155	39228	"	1	X	X	X				"

ANALYSIS / PARAMETERS

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
Jeff Blagg	11/17/06	0700	Glenn Vall	11/17/06	0700
Relinquished by: (Signature)			Received by: (Signature)		
Relinquished by: (Signature)			Received by: (Signature)		

ENVIROTECH INC.

5796 U.S. Highway 64
Farmington, New Mexico 87401
(505) 632-0615

Sample Receipt	Y	N	N/A
Received Intact	✓		
Cool - Ice/Blue Ice	✓		