

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 ☒


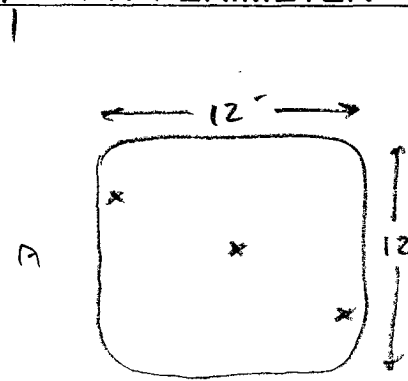
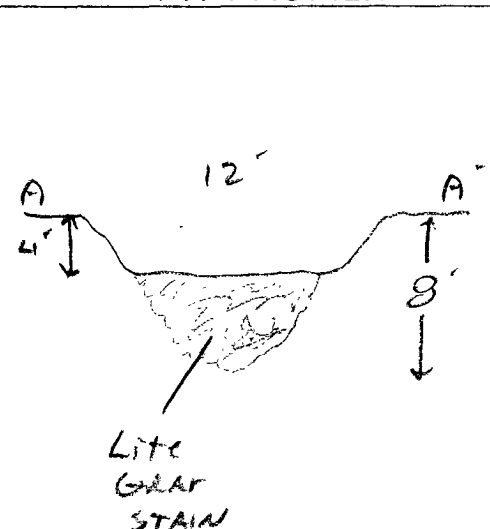
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

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>Sapp 91</u> API #: <u>30-045-29238</u> U/L or Qtr/Qtr <u>K</u> Sec <u>29</u> T <u>24N</u> R <u>8W</u>		
County: <u>San Juan</u> Latitude <u>36.28236</u> Longitude <u>107.70773</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input checked="" 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>103 ±</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	<b>Ranking Score (Total Points)</b> 0
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 (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 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 (0 points)
<b>Ranking Score (Total Points)</b>		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 at approximately 33 Feet South 80° West of wellhead
Use backhoe to collect 3-point sidewall/base sample for lab 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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		
Date: <u>September 17, 2007</u>		
Printed Name/Title <u>Jeffrey C Blagg, agent</u>	Signature <u>Jeffrey C Blagg</u>	
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: <u>Deputy Oil &amp; Gas Inspector, District #3</u>	Signature <u>[Signature]</u>	Date: <u>SEP 21 2007</u>

CLIENT: <u>DUGAN</u>	<b>BLAGG ENGINEERING, INC.</b> <b>P.O. BOX 87, BLOOMFIELD, NM 87413</b> <b>(505) 632-1199</b>	LOCATION NO _____ COCR NO <u>2016</u>																																							
<b>FIELD REPORT: PIT CLOSURE VERIFICATION</b>		PAGE No <u>1</u> of <u>1</u>																																							
LOCATION: NAME: <u>SAPP</u> WELL #: <u>91</u> TYPE: <u>PROD</u> QUAD/UNIT: <u>K SEC: 29 TWP: 24N RNG. 8W PM: NM CNTY: SJ ST: NM</u> QTR/FOOTAGE: <u>1555 FSL + 1850 FWL</u> CONTRACTOR: <u>SIERRA</u>		DATE STARTED <u>7-18-07</u> DATE FINISHED <u>7-18-07</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</u> LEASE: <u>SF-078368</u> FORMATION: <u>FC</u>																																									
FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY <u>33</u> FT. <u>S80W</u> FROM WELLHEAD. DEPTH TO GROUNDWATER: <u>&gt;100</u> NEAREST WATER SOURCE: <u>&gt;1000</u> NEAREST SURFACE WATER <u>&gt;1000</u> NMOCD RANKING SCORE: <u>0</u> NMOCD TPH CLOSURE STD: <u>5000</u> PPM																																									
SOIL AND EXCAVATION DESCRIPTION:		OVM CALIB. READ. = <u>53.7</u> ppm OVM CALIB. GAS = <u>1000</u> ppm RF = 0.52 TIME: <u>0845</u> am/pm DATE <u>7/18</u>																																							
SOIL TYPE: <u>SAND / SILTY SAND</u> SILT / SILTY CLAY / CLAY / GRAVEL / OTHER _____ SOIL COLOR: <u>TAN</u> COHESION (ALL OTHERS): NON COHESIVE / <u>SLIGHTLY COHESIVE</u> / COHESIVE / HIGHLY COHESIVE CONSISTENCY (NON COHESIVE SOILS): LOOSE / <u>FIRM</u> / 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 / <u>SLIGHTLY MOIST</u> / MOIST / WET / SATURATED / SUPER SATURATED DISCOLORATION/STAINING OBSERVED: <u>YES</u> / NO EXPLANATION: <u>GRAY SUB</u> HC ODOR DETECTED: <u>YES</u> / NO EXPLANATION: <u>MANURE</u> SAMPLE TYPE <u>GRAB / COMPOSITE</u> # OF PTS. <u>3</u> ADDITIONAL COMMENTS: <u>12' x 12' x 4' Unlined Pit. Use BACKHOE TO EXCAVATE &amp; SAMPLE.</u>																																									
FIELD 418.1 CALCULATIONS																																									
SCALE  0 10 FT	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMP. TIME</th> <th>SAMP. ID</th> <th>LAB NO.</th> <th>WEIGHT (g)</th> <th>mL FREON</th> <th>DILUTION</th> <th>READING</th> <th>CALC. (ppm)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>	SAMP. TIME	SAMP. ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (ppm)																																
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TRAVEL NOTES: CALLOUT: _____ ONSITE: <u>7/19/07</u>																																									

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

## EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

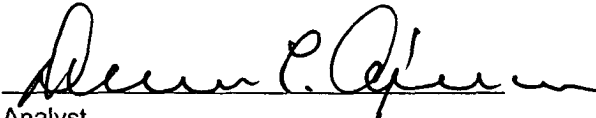
Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Sapp #91 Prod	Date Reported:	07-25-07
Laboratory Number:	42506	Date Sampled:	07-18-07
Chain of Custody No:	2016	Date Received:	07-20-07
Sample Matrix:	Soil	Date Extracted:	07-23-07
Preservative:	Cool	Date Analyzed:	07-25-07
Condition:	Cool & Intact	Analysis Requested:	8015 TPH

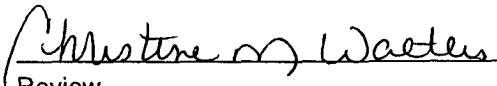
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

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 Sampling 3-Point @ 8'

  
Analyst

  
Review

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

## EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client: Blagg / Dugan  
Sample ID: Sapp #91 Prod.  
Laboratory Number: 42506  
Chain of Custody: 2016  
Sample Matrix: Soil  
Preservative: Cool  
Condition: Cool & Intact

Project #: 94034-010  
Date Reported: 07-25-07  
Date Sampled: 07-18-07  
Date Received: 07-20-07  
Date Analyzed: 07-25-07  
Date Extracted: 07-23-07  
Analysis Requested: BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	1.8
Toluene	4.0	1.7
Ethylbenzene	4.2	1.5
p,m-Xylene	71.5	2.2
o-Xylene	5.7	1.0
Total BTEX	85.4	

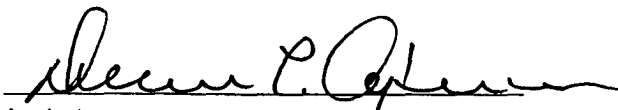
ND - Parameter not detected at the stated detection limit.

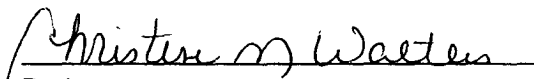
Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	98.0 %
	1,4-difluorobenzene	98.0 %
	Bromochlorobenzene	98.0 %

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 Sampling 3-Point @ 8'

  
Analyst

  
Review