District Is 1625 N French Dr., Hobbs, NM 88240 District III 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 For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure
Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \) No \(\subseteq \)

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: johncald	avander@dugannraduction.com
Address: P. O. Box 420, Farmington, NM 87499-0420	505/525-1621 C-mail address. Jointean	Addition com
Facility or well name: Chaco Plant #1 API #: 30-045-21736 U/L or Qtr/Qtr Q Sec 17 T 26N R 12W		
County San Juan Latitude 36.48301 Longitude 107.13176 NAD: 1927 \(\sqrt{1983} \) Surface Owner Federal \(\sqrt{S} \) State \(\sqrt{Private} \) Private \(\sqrt{Indian} \)		
RCVD MOV 13 '07		
Pit	Below-grade tank	OIL CONS. DIV.
Type: Drilling Production Disposal	Volume:bbl Type of fluid:	
Workover 🛮 Emergency 🗖	Construction material: DIST. 3	
Lined 🖾 Unlined 🗀	Double-walled, with leak detection? Yes If not, explain why not	
Liner type: Synthetic ☑ Thickness <u>12</u> mil Clay □		
Pit Volume 100 bbl		
Depth to ground water (vertical distance from bottom of pit to seasonal	Less than 50 feet	(20 points)
high water elevation of ground water.)	50 feet or more, but less than 100 feet	(10 points)
	100 feet or more	(0 points) 0
Wellhead protection area (Less than 200 feet from a private domestic	Yes	(20 points)
water source, or less than 1000 feet from all other water sources.)	No	(0 points) 0
Distance to surface water (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
irrigation canals, ditches, and perennial and ephemeral watercourses.)	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	(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		
remediation start date and end date. (4) Groundwater encountered: No 🛛 Yes 🔲 If yes, show depth below ground surfaceft and attach sample results. (5)		
Attach soil sample results and a diagram of sample locations and excavations.		
The workover pit at the Chaco Plant #1 closure. The pit liner cut off at the mudline and disposed of at the Waste Management Kirtland Landfill substation Until a general permit		
is prepared and approved, Dugan Production Corp intends to follow NMOCD guidelines modified only as necessary to comply with stipulations imposed by the Bureau of Land		
Management.		
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 \(\bigcirc\), a general permit \(\bigcirc\), or an (attached) alternative OCD-approved plan \(\bigcirc\). Date October 29, 2007		
Printed Name/Title John C Alexander, Vice-President Signature		
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: Deputy Oil & Gas Inspector,		
Printed Name/Title District #3	Signature Dan JM	NOV 2 9 2007

ChacoPlant 1

o wellheap