

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-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

API# 30-045-29237 OPERATOR ☐ Initial Report ☒ Final Report

Name of Company	Dugan Production Corp.	Contact	Paul Sikora
Address	P. O. Box 420, Farmington, NM 87499-0420	Telephone No.	(505)325-1821
Facility Name	Pierre #1	Facility Type	oil well

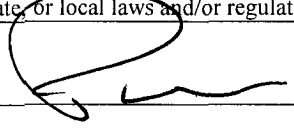

Surface Owner	Federal	Mineral Owner	Federal	Lease No.	NM-80498
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	12	23N	11W	545	North	565	West	San Juan

Latitude 36.24673 Longitude 107.96174

NATURE OF RELEASE

Type of Release	tank overflow	Volume of Release	25 bbls	Volume Recovered	15 bbls
Source of Release	production tank	Date and Hour of Occurrence	3/5/07 @ approx. 12:00 noon	Date and Hour of Discovery	3/5/07 @ approx. 12:00 noon
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Kevin & Brandon Powell			
By Whom?	Paul Sikora	Date and Hour 3/5/07 @ 2:30 (BLM) & 3/5/07 @ 2:45 (OCD)			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			
If a Watercourse was Impacted, Describe Fully.*		RCVD MAR8'07 OIL CONS. DIV. DIST. 3			
Describe Cause of Problem and Remedial Action Taken.* Equipment malfunction on separator seal which caused the below grade tank to overflow. Vacuum truck called in to vacuum up produced oil and return it to production tank.					
Describe Area Affected and Cleanup Action Taken.* Sage brushed surface was raked and shoveled and pearl gypsum and peat sorb was raked into surface soils.					
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: 		OIL CONSERVATION DIVISION			
Printed Name: Paul Sikora		Approved by District Supervisor:  For: Charlie Perrin			
Title: Production Foreman		Approval Date: 3-8-07		Expiration Date:	
E-mail Address: paulsikora@duganproduction.com		Conditions of Approval:		Attached <input type="checkbox"/>	
Date: March 7, 2007 Phone: (505)325-1821					

* Attach Additional Sheets If Necessary

BP 0711048200