

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**

3004528533

**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	LH #174	Facility Type	oil well

Surface Owner	State	Mineral Owner	State	Lease No.	LH-174
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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
A	32	23N	8W	570	North	645	East	San Juan

Latitude 36.18909 Longitude 107.69714

**NATURE OF RELEASE**

Type of Release	crude oil	Volume of Release	10 bbl	Volume Recovered	0 bbls
Source of Release	dump line	Date and Hour of Occurrence	Between 12/9/05 @ 6:00 a.m.	Date and Hour of Discovery	12/9/05 @ 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?	Aztec Office NMOCD - Charlie Perrin		
By Whom?	Paul Sikora	Date and Hour	12/9/05 @ 12:30 a.m.		
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.\*

N/A

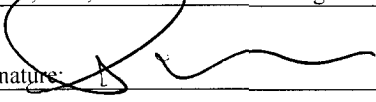
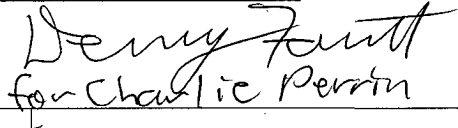
Describe Cause of Problem and Remedial Action Taken.\*

Cold weather combined with extreme low temperatures caused outgoing dump pipeline to tank to freeze resulting in backflow through separator out onto surface spilling about 10 bbls. The pipeline will be repaired.

Describe Area Affected and Cleanup Action Taken.\*

The area affected includes only on location surface mostly surrounding separator equipment. A cleanup crew has been called to the location to begin the cleanup process. Contaminated soils will be removed and soil sample will be collected upon completion of cleanup process. Soil sample analysis to be completed by Blagg Engineering.

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Paul Sikora	Approved by District Supervisor: 	
Title: Production Foreman	Approval Date: 12/27/05	Expiration Date:
E-mail Address: paulsikora@duganproduction.com	Conditions of Approval: File sample results	Attached <input type="checkbox"/>
Date: December 9, 2005 Phone: (505)325-1821		

\* Attach Additional Sheets If Necessary

NDGF0536138173