

2030 Afton Place Farmington, NM 87401 (505) 325-6622

Analysis No: DU20220635 Cust No: 23000-12830

Well/Lease Information

Customer Name: DUGAN PRODUCTION CORP.

Well Name: **CHACO #90**

County/State:

SAN JUAN NM

Location:

Lease/PA/CA:

NM2337

Formation:

Cust. Stn. No.: 1,128

202E-353632

API # 3004532273

GOODTIMES GATHERING

Heat Trace:

Ν

Remarks:

PRESSURED WITH HELIUM TO 30 LBS.

Source:

METER RUN Υ

Well Flowing: Pressure:

18 PSIG

Flow Temp:

44 DEG. F

Ambient Temp:

53 DEG. F

Flow Rate: Sample Method:

8 MCF/D Purge & Fill

Sample Date: Sample Time:

06/16/2022 7.10 AM

Sampled By:

CRAIG STOCK

Sampled by (CO): DUGAN

Analysis

| Component:: | Mole%: | Unormalized %: | **GPM: | *BTU: | *SP Gravity: |
|-------------|----------|----------------|---------|---------|--------------|
| Nitrogen | 1.0500 | 0.7254 | 0.1160 | 0.00 | 0.0102 |
| CO2 | 0.2963 | 0.2047 | 0.0510 | 0.00 | 0.0045 |
| Methane | 96.4676 | 66.6424 | 16.3840 | 974.32 | 0.5343 |
| Ethane | 2.1744 | 1.5021 | 0.5830 | 38.48 | 0.0226 |
| Propane | 0.0117 | 0.0081 | 0.0030 | 0.29 | 0.0002 |
| Iso-Butane | 0.0000 | 0.0000 | 0.0000 | 0.00 | 0.0000 |
| N-Butane | 0.0000 | 0.0000 | 0.0000 | 0.00 | 0.0000 |
| I-Pentane | 0.0000 | 0.0000 | 0.0000 | 0.00 | 0.0000 |
| N-Pentane | 0.0000 | 0.0000 | 0.0000 | 0.00 | 0.0000 |
| Hexane Plus | 0.0000 | 0.0000 | 0.0000 | 0.00 | 0.0000 |
| Total | 100.0000 | 69.0827 | 17.1370 | 1013.10 | 0.5717 |

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR (1/Z): 1.0021 BTU/CU.FT IDEAL: 1015.4 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1017.6 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 999.9 DRY BTU @ 15.025: 1038.0 **REAL SPECIFIC GRAVITY:** 0.5727

CYLINDER #:

CYLINDER PRESSURE: ANALYIS DATE:

PSIG 06/21/2022

7041

ANALYIS TIME: ANALYSIS RUN BY: 04:21:32 PM RICHARD WILSON

GPM, BTU, and SPG calculations as shown above are based on current GPA constants.

GPA Standard: GPA-2261

GC: Danalyzer Model 500 GC Method: C6+ Gas

Last Cal/Verify: 06/23/2022

Tyra Feil

From:

Kevin Smaka

Sent:

Wednesday, June 28, 2023 11:09 AM

To:

Tyra Feil Lynn Collier

Cc: Subject:

C-129 For Chaco 90

Hey Tyra,

Please file a C-129 for the Chaco 90. Estimated lost volume is 15 MCF. The reason is equipment failure/corrosion of a flow line.

For C-115B purposes this pertains to June reporting. Please let me know what other info PA may need.

Kevin Smaka P.E. Regulatory Engineer Dugan Production Corp. 505-486-6207

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

DEFINITIONS

Action 233853

DEFINITIONS

| Operator: | OGRID: |
|-----------------------|--|
| DUGAN PRODUCTION CORP | 6515 |
| PO Box 420 | Action Number: |
| Farmington, NM 87499 | 233853 |
| | Action Type: |
| | [C-129] Venting and/or Flaring (C-129) |

DEFINITIONS

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application:

- this application's operator, hereinafter "this operator";
- · venting and/or flaring, hereinafter "vent or flare";
- any notification or report(s) of the C-129 form family, hereinafter "any C-129 forms";
- the statements in (and/or attached to) this, hereinafter "the statements in this";
- and the past tense will be used in lieu of mixed past/present tense questions and statements.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III
1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 233853

| Phone:(505) 476-3470 Fax:(505) 476-3462 | | |
|--|--|--|
| C | QUESTIONS | |
| Operator: | COLOTIONO | OGRID: |
| DUGAN PRODUCTION CORP | | 6515 |
| PO Box 420 Farmington, NM 87499 | | Action Number: 233853 |
| | | Action Type: [C-129] Venting and/or Flaring (C-129) |
| QUESTIONS | | |
| Prerequisites | | |
| Any messages presented in this section, will prevent submission of this application. Please resolve | these issues before continuing w | vith the rest of the questions. |
| Incident Well | [30-045-32273] CHACO # | ¢090 |
| Incident Facility | Unavailable. | |
| | | |
| Determination of Reporting Requirements | | |
| Answer all questions that apply. The Reason(s) statements are calculated based on your answers a | | re. |
| Was this vent or flare caused by an emergency or malfunction | No | |
| Did this vent or flare last eight hours or more cumulatively within any 24-hour period from a single event | Yes | |
| Is this considered a submission for a vent or flare event | Yes, answer to "eight ho | urs or more" suggests this is at least a minor event. |
| An operator shall file a form C-141 instead of a form C-129 for a release that, includes liquid during | venting and/or flaring that is or ma | ay be a major or minor release under 19.15.29.7 NMAC. |
| Was there at least 50 MCF of natural gas vented and/or flared during this event | No | |
| Did this vent or flare result in the release of ANY liquids (not fully and/or completely flared) that reached (or has a chance of reaching) the ground, a surface, a watercourse, or otherwise, with reasonable probability, endanger public health, the environment or fresh water | No | |
| Was the vent or flare within an incorporated municipal boundary or withing 300 feet from an occupied permanent residence, school, hospital, institution or church in existence | No | |
| | | |
| Equipment Involved | | |
| Primary Equipment Involved | Pipeline (Any) | |
| Additional details for Equipment Involved. Please specify | 2" poly line from wellhead scrape across the top of p | I to meter run had a pencil sized hole on top of pipe where it had a pipe. |
| | | |
| Representative Compositional Analysis of Vented or Flared Natural Gas | | |
| Please provide the mole percent for the percentage questions in this group. | 100 | |
| Methane (CH4) percentage | 96 | |
| Nitrogen (N2) percentage, if greater than one percent | 0 | |
| Hydrogen Sulfide (H2S) PPM, rounded up | 0 | |
| Carbon Dioxide (C02) percentage, if greater than one percent | 0 | |
| Oxygen (02) percentage, if greater than one percent | 0 | |
| If you are venting and/or flaring because of Pipeline Specification, please provide the required spe | cifications for each gas. | |
| Methane (CH4) percentage quality requirement | Not answered. | |
| Nitrogen (N2) percentage quality requirement | Not answered. | |
| Hydrogen Sufide (H2S) PPM quality requirement | Not answered. | |
| Carbon Dioxide (C02) percentage quality requirement | Not answered. | |
| Oxygen (02) percentage quality requirement | Not answered. | |

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III
1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS, Page 2

Action 233853

| Phone:(505) 476-3470 Fax:(505) 476-3462 | | | |
|--|--|--|--|
| QUESTI | ONS (continued) | | |
| Operator: | OGRID: | | |
| DUGAN PRODUCTION CORP PO Box 420 | 6515 Action Number: | | |
| Farmington, NM 87499 | 233853 | | |
| | Action Type: [C-129] Venting and/or Flaring (C-129) | | |
| QUESTIONS | | | |
| Date(s) and Time(s) | | | |
| Date vent or flare was discovered or commenced | 06/26/2023 | | |
| Time vent or flare was discovered or commenced | 12:13 PM | | |
| Time vent or flare was terminated | 12:13 PM | | |
| Cumulative hours during this event | 220 | | |
| Measured or Estimated Volume of Vented or Flared Natural Gas | | | |
| Natural Gas Vented (Mcf) Details | Cause: Equipment Failure Pipeline (Any) Natural Gas Vented Released: 15 Mcf Recovered: 0 Mcf Lost: 15 Mcf. | | |
| Natural Gas Flared (Mcf) Details | Not answered. | | |
| Other Released Details | Not answered. | | |
| | | | |
| Additional details for Measured or Estimated Volume(s). Please specify | Volume as estimated based on examination of production chart. | | |
| Is this a gas only submission (i.e. only significant Mcf values reported) | Yes, according to supplied volumes this appears to be a "gas only" report. | | |
| Venting or Flaring Resulting from Downstream Activity | | | |
| | | | |
| Was this vent or flare a result of downstream activity | No | | |
| Was notification of downstream activity received by this operator | Not answered. | | |
| Downstream OGRID that should have notified this operator | Not answered. | | |
| Date notified of downstream activity requiring this vent or flare | Not answered. | | |
| Time notified of downstream activity requiring this vent or flare | Not answered. | | |
| Steps and Actions to Prevent Waste | | | |
| For this event, this operator could not have reasonably anticipated the current event and it was beyond this operator's control. | True | | |
| Please explain reason for why this event was beyond this operator's control | Flowline buried 2' in ground, no one could see or tell, until the leak developed. | | |
| Steps taken to limit the duration and magnitude of vent or flare | Well was shut in immediately upon discovery. | | |
| | | | |

Damaged section of line was removed and replaced. Further training provided to lease

operator to especially listen for leaks and check charts for abnormalities.

Corrective actions taken to eliminate the cause and reoccurrence of vent or flare

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

ACKNOWLEDGMENTS

Action 233853

ACKNOWLEDGMENTS

| Operator: | OGRID: |
|-----------------------|--|
| DUGAN PRODUCTION CORP | 6515 |
| PO Box 420 | Action Number: |
| Farmington, NM 87499 | 233853 |
| | Action Type: |
| | [C-129] Venting and/or Flaring (C-129) |

ACKNOWLEDGMENTS

| ✓ | I acknowledge that I am authorized to submit a <i>Venting and/or Flaring</i> (C-129) report on behalf of this operator and understand that this report can be a complete C-129 submission per 19.15.27.8 and 19.15.28.8 NMAC. |
|---|---|
| V | I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to this operator) to track any C-129 forms, pursuant to 19.15.27.7 and 19.15.28.8 NMAC and understand that this submission meets the notification requirements of Paragraph (1) of Subsection G and F respectively. |
| ⋉ | I hereby certify the statements in this report are true and correct to the best of my knowledge and acknowledge that any false statement may be subject to civil and criminal penalties under the Oil and Gas Act. |
| V | I acknowledge that the acceptance of any C-129 forms by the OCD does not relieve this operator of liability should their operations have failed to adequately investigate, report, and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment. |
| V | I acknowledge that OCD acceptance of any C-129 forms does not relieve this operator of responsibility for compliance with any other applicable federal, state, or local laws and/or regulations. |

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 233853

CONDITIONS

| Operator: | OGRID: |
|-----------------------|--|
| DUGAN PRODUCTION CORP | 6515 |
| PO Box 420 | Action Number: |
| Farmington, NM 87499 | 233853 |
| | Action Type: |
| | [C-129] Venting and/or Flaring (C-129) |

CONDITIONS

| Created | Condition | Condition |
|---------|--|-----------|
| Ву | | Date |
| tmfeil | If the information provided in this report requires an amendment, submit a [C-129] Amend Venting and/or Flaring Incident (C-129A), utilizing your incident number from this event. | 6/28/2023 |