

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

30-045-27693

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Dugan Production Corp.	Contact	Kurt Fagrelus
Address	P.O. Box 420	Telephone No.	505-325-1821
Facility Name	Road Runner #1 (Separator)	Facility Type	Permanent Pit
Surface Owner	Federal	Mineral Owner	State
		Lease No	V-2364

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	36	24N	11W	660	South	1980	East	San Juan

Latitude 36.26461 N Longitude 107.95187 W

NATURE OF RELEASE

Type of Release	Spill Clean-Up and Pit Closure	Volume of Release	Unknown	Volume Recovered	Unknown
Source of Release	Below grade permanent pit release	Date and Hour of Occurrence	?	Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	N/A		
By Whom?		Date and Hour			
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 *					
During permanent pit closure a chloride impact was discovered. A five-point composite sample tested 1440-mg/kg chloride which exceeds the threshold limits of 19.15.17 13.C. See attached sample results.					
Describe Area Affected and Cleanup Action Taken * Contamination was addressed under the "spill rule" 19.15.30. 90-cubic yards of contaminated soil was hauled from site of release to Envirotech Landfarm. C-144 ranking=0. The Chloride release does not pose a threat to groundwater contamination. See attachment to "Final C-141" and invoice #23048.					
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 <i>Kurt Fagrelus</i>		OIL CONSERVATION DIVISION			
Printed Name Kurt Fagrelus		Approved by District Supervisor <i>Jonat D. Kelly</i>			
Title VP Exploration		Approval Date 11/30/2011		Expiration Date	
E-mail Address kfagrelus@duganproduction.com		Conditions of Approval		Attached <input type="checkbox"/>	
Date 12/13/2010 Phone 505-325-1821					

* Attach Additional Sheets If Necessary

n5K1133451680

**ARDINAL
LABORATORIES**

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

December 31, 2009

Fred Cornish
Dugan Production Corporation
4100 Piedras Street
Farmington, NM 87401

Re: Earth Pit Closure

Enclosed are the results of analyses for sample number H18943, received by the laboratory on 12/23/09 at 11:15 am.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 5 (includes Chain of Custody)

Sincerely,

Caley D. Keene
Laboratory Director

This report conforms with NELAP requirements



CARDINAL LABORATORIES

PHONE (505) 396-9326 • 101 E. MARLAND • HOBBBS, NM 87401

ANALYTICAL RESULTS FOR
DUGAN PRODUCTION CORP
ATTN: FRED CORNISH
4100 PIEDRAS ST
FARMINGTON, NM 87401
FAX TO (505) 325-4873

Receiving Date 12/23/09
Reporting Date 12/31/09
Project Number: NOT GIVEN
Project Name: EARTH PIT CLOSURE
Project Location: NOT GIVEN

Sampling Date 12/22/09
Sample Type SOIL
Sample Condition: COOL & INTACT @ 6 °C
Sample Received By: CK
Analyzed By: ZL

LAB NO	SAMPLE ID	ETHYL TOTAL			
		BENZENE	TOLUENE	BENZENE	XYLENES
		(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)
ANALYSIS DATE:		12/30/09	12/30/09	12/30/09	12/30/09
H18943-1	ROADRUNNER #1 SEP	<0.050	<0.050	<0.050	<0.300
H18943-2	FLO JO #2 SEP	<0.050	<0.050	<0.050	<0.300
H18943-3	FLO JO #4	<0.050	<0.050	<0.050	<0.300
H18943-4	PIERRE #1 SEP	0.112	0.132	<0.050	<0.300
H18943-5	HOSS #1 SEP	<0.050	<0.050	<0.050	<0.300
H18943-6	HERRY MONSTER #1	<0.050	<0.050	<0.050	<0.300
H18943-7	PLATERO NAVAJO #1 PROD TANK	<0.050	<0.050	<0.050	<0.300
H18943-8	PLATERO NAVAJO #1 SEP	<0.050	<0.050	<0.050	<0.300
H18943-9	RACHET #2 SEP	<0.050	<0.050	<0.050	<0.300
H18943-10	CHACO PLANT 90 SEP	0.101	<0.050	<0.050	<0.300
Quality Control		0.047	0.047	0.048	0.149
True Value QC		0.050	0.050	0.050	0.150
% Recovery		94.0	94.0	96.0	99.3
Relative Percent Difference		4.1	3.3	3.1	3.5

METHODS: BTEX - SW-846 8021B

TEXAS NELAP ACCREDITATION T104704398-08 TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES. Reported on wet weight

Chemist

Date

H1894 BTEX DUGAN

Cardinal Laboratories and Dominguez Cerametrics Analytical, Inc. are not responsible for the results of this analysis if the sample is not properly prepared, stored, or handled. The results of this analysis are for informational purposes only and should not be used for legal or regulatory purposes. The results of this analysis are for informational purposes only and should not be used for legal or regulatory purposes. The results of this analysis are for informational purposes only and should not be used for legal or regulatory purposes.



PHONE (575) 393-2376 • 101 E. MARLAND • HUBBS, LUISIANA

ANALYTICAL RESULTS FOR
DUGAN PRODUCTION CORP
ATTN: FRED CORNISH
4100 PIEDRAS ST
FARMINGTON, NM 87401
FAX TO: (505) 325-4873

Receiving Date 12/23/09

Reporting Date: 12/30/09

Project Number. NOT GIVEN

Project Name: EARTH PIT CLOSURE

Project Location NOT GIVEN

Sampling Date: 12/22/09

Sample Type SOIL

Sample Condition: COOL & INTACT @ 6°C

Sample Received By. CK

Analyzed By. AB

418.1

TOTAL

TPH

(mg/kg)

LAB NUMBER	SAMPLE ID	(mg/kg)
ANALYSIS DATE		12/29/09
H18943-1	ROADRUNNER #1 SEP	<100
H18943-2	FLO JO #2 SEP	<100
H18943-3	FLO JO #4	<100
H18943-4	PIERRE #1 SEP	<100
H18943-5	HOSS #1 SEP.	136
H18943-6	HERRY MONSTER #1	<100
H18943-7	PLATERO NAVAJO #1 PROD TANK	<100
H18943-8	PLATERO NAVAJO #1 SEP	<100
H18943-9	RACHET #2 SEP	113
H18943-10	CHACO PLANT 90 SEP.	<100
Quality Control		315
True value QC		300
% Recovery		105
Relative Percent Difference		6

METHODS EPA 418 1

Not accredited for TFI 418.1 Reported on wet weight

Chemist

Date _____

H16943 4187 DUGAN



PUGH, 1975, 2002; PUGH & L. MARLAND, 1998; PUGH, 1992a;

ANALYTICAL RESULTS FOR
DUGAN PRODUCTION
ATTN. FRED CORNISH
4100 PIEDRAS STREET
FARMINGTON, NM 87401
FAX TO. (505) 325-4873

Receiving Date: 12/23/09
Reporting Date: 12/30/09
Project Number: NOT GIVEN
Project Name: EARTH PIT CLOSURE
Project Location: NOT GIVEN

Analysis Date 12/29/09
Sampling Date 12/22/09
Sample Type: SOIL
Sample Condition: COOL & INTACT @ 6°C
Sample Received By: CK
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H18943-1	ROADRUNNER #1 SEP	1,440
H18943-2	FLO JO #2 SEP	992
H18943-3	FLO JO #4	800
H18943-4	PIERRE #1 SEP	336
H18943-5	HOSS #1 SEP	688
H18943-6	HERRY MONSTER #1	1,490
H18943-7	PLATERO NAVAJO #1 PROD. TANK	224
H18943-8	PLATERO NAVAJO #1 SEP	112
H18943-9	RACHET #2 SEP	896
H18943-10	CHACO PLANT 90 SEP	768
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods

4500-CIB

Note: Analyses performed on 1:4 w/v aqueous extracts. Not accredited for Chloride

Chemist

Date 12/31/09

1115943 Duan



CHAIN OF CUSTODY RECORD

Page 1 of 1

Client: Duran PRODUCTION

Operator: FRED CORNISH

Address: _____

Phone Number: 505-330-0929

FAX Number: 505-325-4873

NOTES:

- 1) Ensure proper container packaging.
- 2) Ship samples promptly following collection.
- 3) Designate Sample Reject Disposition

PO#

Project Name: EARTH PIT Closure

Table 1. - Matrix Type

- 1 = Surface Water, 2 = Ground Water,
3 = Soil/Sediment, 4 = Runate, 5 = Oil
6 = Waste, 7 = Other (Specify)

FOR USE ONLY

DATE

Samplers Signature: Fred Cornish

Lab Name		Green Analytical Laboratories		(970) 247-4220 FAX (970) 247-4227		Analyses Required										Comments
Address		75 Suttle Street, Durango, CO 81303														
Sample ID	Date	Time	Collected by: (Init.)	Matrix Type From Table 1	No. of Containers	Sample Filtered Y/N	Unpreserved (Ice Only)	HNO3	HCL	H2SO4	NAOH	Other (Specify)	Benzen	BTX	Chlorides	
H18943-																
1. Recovery #1 Sep	12-22-09	1:58 PM		3										✓	✓	✓
2. 30 #2 Sep	12-22-09	2:15 PM														
3. 30 #2 Sep	12-22-09	2:45 PM														
4. 30 #2 Sep	12-22-09	9:12 AM														
5. 30 #2 Sep	12-22-09	9:30 AM														
6. Heavy Monster #1	12-22-09	10:55 AM														
7. Plate #1	12-22-09	11:41 AM														
8. Water #1	12-22-09	12:40 AM														
9. Rocket #1	12-22-09	1:00 PM														
10. 30 #2 Sep	12-22-09	1:20 PM														
Relinquished by: <u>Fred Cornish</u>			Date: <u>12-22-09</u>		Time: <u>2:48 PM</u>		Received by: <u>Christina Lane</u>			Date: <u>12/22/09</u>		Time: <u>1:48</u>				
Relinquished by: <u>Fred EX</u>			Date: _____		Time: _____		Received by: <u>Cal Greene</u>			Date: <u>12/23/09</u>		Time: <u>11:15</u>				

Sample Reject ☐ Return ☐ Dispose ☐ Store (30 Days) ☐

6°C C+I #24

Envirotech
 5796 US Hwy 64
 Farmington, NM 87401
 Phone 505-632-0615
 Fax 505-632-1865



To
 Dugan Production Corp
 PO Box 420
 Farmington, NM 87401

Invoice

Invoice Number 23048
 Job 06094-0056
 DATE March 10,2009

Road Runner #1- accept exempt
 contaminated soil and oil from production
 stream

Ordered by Fred Cornish

Project Manager April Pohl

<u>Employee</u>	<u>Staff Type</u>	<u>Description</u>	<u>Units</u>	<u>Rate</u>	<u>Total</u>
02/19/2009					
Landfarm					
		BOL# 32737	1 00 EA	10 00	10 00
Paint Filter Test		BOL# 32737	1 00 EA	15 00	15 00
Chloride Analysis-Water		BOL# 32737	12 00 CY	18 00	216 00
Contaminated Soil Receival					
Landfarm Total:			14.00		241.00
02/19/2009 Total:			14.00		241.00
02/25/2009					
Landfarm					
		BOL# 32773	7 00 EA	10 00	70 00
Paint Filter Test		BOL# 32773	7 00 EA	15 00	105 00
Chloride Analysis-Water		BOL# 32773	78 00 CY	18 00	1,404 00
Contaminated Soil Receival					
Landfarm Total:			92.00		1,579.00
02/25/2009 Total:			92.00		1,579.00
Invoice Sub-total					1,820 00

Invoice # 23048 Job # 06094-0056

<u>Employee</u>	<u>Staff Type</u>	<u>Description</u>	<u>Units</u>	<u>Rate</u>	<u>Total</u>
		Sales Tax			112 61

Amount due this Invoice					<u>\$1,932 61</u>
-------------------------	--	--	--	--	-------------------

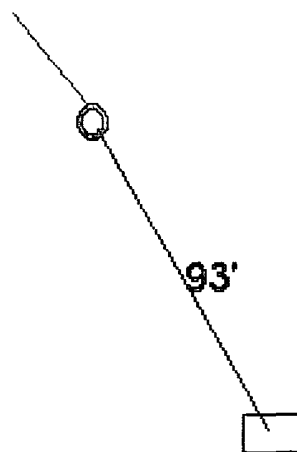
All invoices are due upon receipt A late charge of 1 5% will be added to any unpaid balance after 30 days

This may not be the final bill - if charges are received after this invoice has been mailed, you will receive a separate invoice for those costs

Dugan Production
Road Runner
Separator Pit



Reference Point: Well head



18'W X16'L X9'D

From Reference Point Go S. 20 degrees SE. For
a Distance of 93' to Center of Pit.

Permanent pit: Road Runner #1 (Separator)
API number: 30-045-27693

Results of sample analysis on the five-point composite sample collected on the subject permanent pit exceeded limits permissible under the "pit rule" (19.15.17.13.C) (see attached C-141 with analytic results).

The Environmental Bureau of the Oil Conservation Division (OCD) in Santa Fe is hereby provided a C-144 (closure report) and an "initial" C-141 (release notification) with analytic results of soil testing. The closure date on the C-144 (box 21) shows the date that the soil analysis did not meet pit rule standards. Also, this letter hereby provides notice that the subject permanent pit will be closed according to the requirements of the "spill rule" (19.15.30).

The OCD district office in Aztec is hereby provided a copy of the "initial report" C-141 (release notification) with analytic results of soil testing and also notice that the subject permanent pit will be closed according to the requirements of the "spill rule" (19.15.30). Assessment, clean-up and remediation of the reported spill will be done in accordance with the spill rule under the authority of the Aztec District office of the OCD. The "final report" C-141 with photo documentation of site reclamation will be sent to the Aztec District office of the OCD.

Following clean-up of the reported release and determination that the release is not a threat to groundwater contamination, the permanent pit will be closed in accordance with the approved C-144 (closure plan) and will include the following:

1. Stockpiled sub-surface soil will be used to backfill pit and re-contour (to a final or intermediate cover that blends with the surrounding topography). A minimum of four-feet of compacted, non-waste containing, earthen material will be used as backfill.
2. Stockpiled surface soil will be used as a cover over the backfilled pit and disturbed area no longer needed for production operations. The soil cover will include either the background thickness of top soil or one-foot of suitable material to establish vegetation at the site whichever is greater. The soil cover will be constructed to the sites existing grade and prevent water collection or ponding and erosion of the cover material.
3. Disturbed areas will be seeded the first growing season after the pit is closed. Seeding will be accomplished by drilling on contour whenever possible or by other division approved methods. BLM stipulated seed mixes will be used on all Federal lands and OCD approved seed mixes (administratively approved if required) will be used on all State or private lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two consecutive growing seasons. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. Seeding or planting will be continued until successful vegetative growth occurs.
4. The Aztec District office of the OCD will be notified after each re-seeding operation and after successful re-vegetation has been achieved.

Kurt Fagrelus
VP – Exploration, Dugan Production Corp.
Farmington, New Mexico 87401
505-325-1821 (O), 505-320-8248 (C)
kfagrelus@duganproduction.com

Lease Name: Road Runner #1						
API No.: 30-045-27693						
Site Specific Information						
Depth to	150-ft	Distance to Surface	4,200-ft	Wellhead Protection Area	>1,000-ft	
Groundwater		Water Body		Distance from Water Source		
Total Ranking Score						
Depth to	Ranking	Distance to Surface	Ranking	Wellhead Protection Area	Ranking Score	Total Ranking
Groundwater	Score	Water Body	Score	Distance from Water Source	Yes =20, No=0	Score
<50-feet	20	<200-feet	20	<1000-feet from water source	0	
50 - 99	10	200 - 1000	10	<200-feet domestic water	0	
>100-feet	0	>1000-feet	0			0
Total Ranking Score					Sample	
		>19	10 - 19	0 - 9	Analysis	
Benzene (mg/kg)		10	10	10	<0.050	
BTEX (mg/kg)		50	50	50	<0.300	
TPH (mg/kg)		100	1000	5000	<100	
Chlorides (mg/kg)		N A	N.A.	N.A.	1440	
Note: Analytical methods used for Benzene SW-846, BTEX SW-846, TPH 418 1 and Chlorides 4500-C1-B.						
C-144 ranking = 0 Chloride release does not pose a threat to groundwater contamination.						

Road Runner #1 Hydrogeologic Report

The Road Runner #1 is located on Federal land on the Chaco Slope area in San Juan County, New Mexico. The region is characterized as a high arid mesa broken by numerous, deep cutting arroyos. The mesa tops are dominated by tall stands of sage with sparse grass in the arroyos and low-lying areas

A records search of the NM Office of the State Engineer –iWATERS database was conducted on a three square mile area centered on the Road Runner #1 location (Exhibit 2). No water wells were located within the search area. The results of the search are shown on Exhibit 1.

The main source of stock water in the region is encountered in valley-fill deposits in existing arroyos at shallow depths of approximately 15 – 50 feet below the surface and stock tanks constructed on surface shale layers at the confluence and upper reaches of arroyos. The below grade tank is not located in an arroyo, the closest arroyo is 4,200 feet to the south (Exhibit 2).

The Nacimiento extends from the surface down to a depth of approximately 125-feet and is comprised of mudstone / shale with a trace of siltstone.

The Ojo Alamo Sandstone extends 125 down to 205-feet and is comprised of a coarse grained sandstone inter-bedded with lenses of mudstone and occasional conglomeratic sandstone.

The Nacimiento is a not good source of ground water in the area, the Nacimiento section does not have rocks capable of storing groundwater and the section has been breached to a depth of 120 feet by arroyos 3/4-miles to the south and west. The Ojo Alamo might contain groundwater but the section is breached also and if it does contain ground water, it would be in the lower sands below a depth of about 150-feet

The Kirtland Shale interval is from 205-710 feet in depth and is comprised entirely of mudstone / shale with a few thin siltstone layers inter-bedded with shale from 310-435 feet. These thin stringers of siltstone might contain very minimal amounts of ground water.

The Fruitland Coal and Pictured Cliffs Sandstone from 905-1030 contain ground water and natural gas. The water quality is very poor (>15,000 ppm TDS), water recovered with natural gas production is disposed of in nearby salt water disposal wells (analysis of this water is available upon request from Dugan Production).

Excessive drilling depth, unpredictable variations in reservoir quality and water quality have discouraged the drilling of water wells in the in the subject area

Based on electric open hole logs, the iWATERS database and literature reviewed, very minor amounts of poor quality ground water might be found at a depth below 150-feet from the lower Ojo Alamo Sandstone. A deeper and larger source of poor quality groundwater occurs in the Fruitland Coals and Pictured Cliffs Sandstone below 905 feet.

This Hydrogeologic Report was prepared by Mr. Kurt Fagrelus, Geologist for Dugan Production. Mr. Fagrelus has been employed as a geologist for Dugan for the past 31-years, received a MS in Geology from NMIMT in Socorro, NM and a BS in Geology from FLC in Durango, CO.

Stone, W. J., Lyford, F. P., Frenzel, P. F., Mizell, N. H., and Padgett, E. T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

Brown, D. R., and Stone, W. J., 1979, Hydrogeology of Aztec quadrangle, San Juan County, New Mexico: New Mexico Bureau of Mines and Mineral Resources Hydrogeologic Sheet 1.

Levings, G. W., Craig, S. D., Dam, W. L., Kernodle, J. M., and Thorn, C. R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah. U.S. Geological Survey, Atlas HA-720-A, Sheet 1 and 2.

Thorn, C. R., Levings, G. W., Craig, S. D., Dam, W. L., and Kernodle, J. M., 1990, Hydrogeology of the Ojo Alamo Sandstone in the San Juan Structural Basin, New Mexico, Colorado, Arizona and Utah. U.S. Geological Survey, Atlas HA-720-B, Sheet 1 and 2.

For Emergency Call (505) 325-1823

DUGAN PRODUCTION CORP.

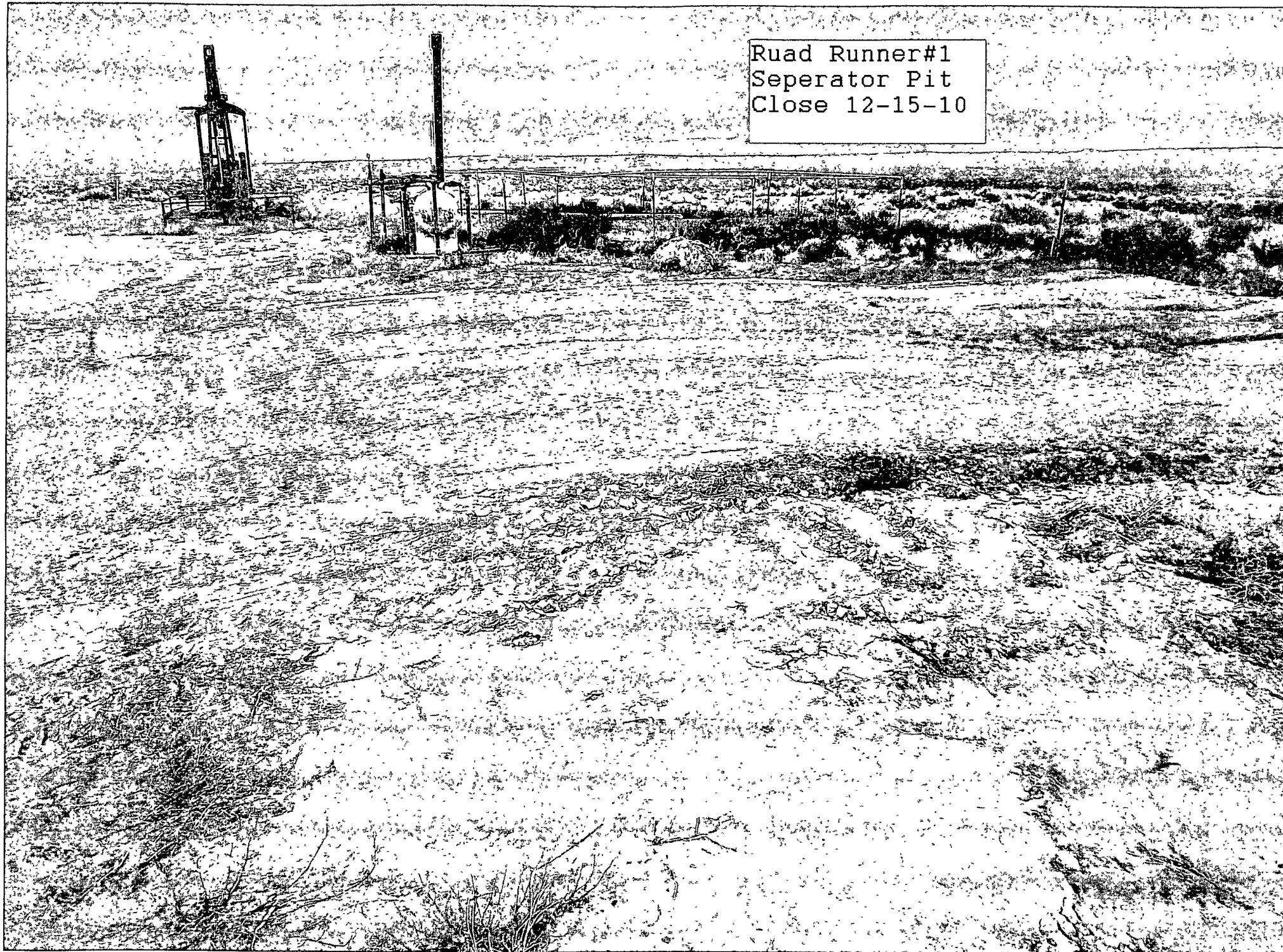
ROAD

STATE

UNIT

SEC.

Ruad Runner#1
Seperator Pit
Close 12-15-10



Kurt Fagrelius

From: Kurt Fagrelius
Sent: Friday, December 10, 2010 9:06 AM
To: Powell, Brandon, EMNRD, dave_mankiewicz@nm.blm.gov, Mark_Kelly@nm.blm.gov, lucas_vargo@blm.gov, Spencer, Bertha
Cc: Johnny Lane, Mike Sandoval, Kurt Fagrelius
Subject: 72-hr Notice to Close 12-14 to 12-17-2010
Attachments: 72-Hour Notice to Close 12-14 to 12-17-2010.xls

Mr. Brandon Powell, Mr. Dave Mankiewicz, Mr. Mark Kelly, Mr. Lucas Vargo and Ms. Bertha Spencer

Dugan Production Corp. is hereby giving notice that Dugan will be closing the permanent pits on the following well pads:

- 1) Olympic #1 TB (Separator)
- 2) Olympic #1 TB (Prod Tank)
- 3) Calgary #88 (Prod Tank)
- 4) Calgary #88 (Separator)
- 5) Flo Jo #1 (Separator)
- 6) Gold Medal #1
- 7) Gold Medal #5 (Separator)
- 8) Gold Medal #5 (Prod Tank)
- 9) Jim Thorpe #1 (Separator)
- 10) Road Runner #1

Site specific and soil analysis information for each permanent pit is included in the enclosed attachment.

Those highlighted in blue (#s 1 – 4, 6 – 8 and #10) are located on Federal Surface, and those highlighted in red (# 5 and #9) are located on Navajo Allotted Surface.

Permanent pits will be closed starting Tuesday December 14, 2010 thru Friday December 17, 2010.

If you have any questions or require additional information, please contact me.

Kurt Fagrelius
Dugan Production Corp.
709 East Murray Drive
Farmington, New Mexico 87401
505-325-1821 (O), 505-320-8248 (C)
kfagrelius@duganproduction.com

12/10/2010

Dugan Production Corp. Permanent Pits to be Closed on December 14 to December 17, 2010

Lease Name	Olympic #1 TB Sep	Olympic #1 TB Prod	Calgary #88 Prod	Calgary #88 Sep	Flo Jo #1 Sep
API Number	30-045-26007	30-045-26007	30-045-26784	30-045-26784	30-045-27463
Surface Owner - Notice Sent	Federal	Federal	Federal	Federal	Navajo Allotted
Location - UL, Sec , Twp, Rge	I-3-23N-10W	I-3-23N-10W	A-6-23N-10W	A-6-23N-10W	A-1-23N-11W
Latitude	36 2541 N	36.2541 N	36.77293 N	36 77293 N	36 26099 N
Longitude	107.87613 W	107 87613 W	107.92965 W	107 92965 W	107 9463 W
C-144 Ranking Score	0	0	0	0	0
Benzene (mg/kg)	<0.050	<0 050	<0.050	<0.050	<0 050
Betex (mg/kg)	<0.300	<0.300	<0 300	<0.300	<0 300
TPH (mg/kg) - Analy Mthd	<100 - 418 1	<100 - 418 1	142 - 418.1	<100 - 418 1	900 - 418 1
Chlorides (mg/kg)	928	2360	1760	352	1100
Total Yards Contaminated	20	20	62	N A	60
Soil Hauled to Landfarm					

Gold Medal #1	Gold Medal #5 Sep	Gold Medal #5 Prod	Jim Thorpe #1 Sep	Road Runner #1
30-045-26035	30-045-26823	30-045-26823	30-045-26587	30-045-27693
Federal	Federal	Federal	Navajo Allotted	Federal
H-34-24N-10W	O-31-24N-10W	O-31-24N-10W	G-3-23N-10W	O-36-24N-11W
36.27290 N	36 26465 N	36 26465 N	36 25796 N	36 26461 N
107.87657 W	107 9341 W	107.9341 W	107.88081 W	107 95187 W
0	0	0	10	0
<0 050	<0 050	<0 050	<0.100	<0.050
<0.300	<0.300	<0 300	<0 300	<0 300
<100 - 418 1	713 - 418 1	<100 - 418.1	<10 - 418 1	<100 - 418 1
1340	1550	2240	1150	1440
30-yds	60-yds	60-yds	30-yds	90-yds

Kurt Fagrelus

From: postmaster@duganproduction.com
Sent: Friday, December 10, 2010 9 06 AM
To: Kurt Fagrelus
Subject: Delivery Status Notification (Relay)

Attachments: ATT32033.txt, 72-hr Notice to Close 12-14 to 12-17-2010



ATT32033.txt (407 B) 72-hr Notice to
Close 12-14 to...

This is an automatically generated Delivery Status Notification.

Your message has been successfully relayed to the following recipients, but the requested delivery status notifications may not be generated by the destination.

Brandon.Powell@state.nm.us

Kurt Fagrelius

From: postmaster@duganproduction.com
Sent: Friday, December 10, 2010 9:06 AM
To: Kurt Fagrelius
Subject: Delivery Status Notification (Relay)

Attachments: ATT32045.txt, 72-hr Notice to Close 12-14 to 12-17-2010



ATT32045.txt (396 B) 72-hr Notice to
Close 12-14 to...

This is an automatically generated Delivery Status Notification.

Your message has been successfully relayed to the following recipients, but the requested delivery status notifications may not be generated by the destination.

Bertha.Spencer@bia.gov

Kurt Fagrelus

From: Dave_Mankiewicz@blm.gov
Sent: Friday, December 10, 2010 11:08 AM
To: Kurt Fagrelus
Subject: 72-hr Notice to Close 12-14 to 12-17-2010

Return Receipt

Your 72-hr Notice to Close 12-14 to 12-17-2010
document:

was Dave Mankiewicz/FFO/NM/BLM/DOI
received
by:

at: 12/10/2010 11:07:32 AM

Kurt Fagrelius

From: Lucas_Vargo@blm.gov
Sent: Friday, December 10, 2010 11:20 AM
To: Kurt Fagrelius
Subject: 72-hr Notice to Close 12-14 to 12-17-2010

Return Receipt

Your 72-hr Notice to Close 12-14 to 12-17-2010
document:

was Lucas Vargo/FFO/NM/BLM/DOI
received
by:

at: 12/10/2010 11:19:49 AM

Kurt Fagrelius

From: System Administrator
To: Johnny Lane, Kurt Fagrelius, Mike Sandoval
Sent: Friday, December 10, 2010 9 06 AM
Subject: Delivered 72-hr Notice to Close 12-14 to 12-17-2010

Your message

To: Powell, Brandon, EMNRD; dave_mankiewicz@nm.blm.gov; Mark_Kelly@nm.blm.gov; lucas_vargo@blm.gov; Spencer, Bertha
Cc. Johnny Lane; Mike Sandoval; Kurt Fagrelius
Subject 72-hr Notice to Close 12-14 to 12-17-2010
Sent: 12/10/2010 9 06 AM

was delivered to the following recipient(s):

Johnny Lane on 12/10/2010 9:06 AM
Kurt Fagrelius on 12/10/2010 9:06 AM
Mike Sandoval on 12/10/2010 9:06 AM

Kurt Fagrelius

From: Mark_Kelly@blm.gov
Sent: Tuesday, December 14, 2010 5:59 AM
To: Kurt Fagrelius
Subject: 72-hr Notice to Close 12-14 to 12-17-2010

Return Receipt

Your 72-hr Notice to Close 12-14 to 12-17-2010
document:

was Mark_Kelly/FFO/NM/BLM/DOI
received
by:

at: 12/14/2010 05:59:29 AM