

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**

30-039-05309

**OPERATOR**

☒ Initial Report ☐ Final Report

Name of Company	Dugan Production Corp.	Contact	Rodger Mullins
Address	P. O. Box 420, Farmington, NM 87499-0420	Telephone No.	(505)325-1821 (505)320-5443
Facility Name	Jicarilla Otero # 2	Facility Type	Oil Well
Surface Owner	Jicarilla	Mineral Owner	Jicarilla
		Lease No.	Jic 12

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	28	24N	5W	1650	North	1650	East	Rio Arriba

Latitude 36.2864 Longitude 107.36208

**NATURE OF RELEASE**

Type of Release	Crude Oil	Volume of Release	10 BBLs	Volume	-0-
Source of Release	Well Head	Date and Hour of Occurrence	11-08-10 Time UNK	Date and Hour of Discovery	11-10-10 1300
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Rod Velarde - Jicarilla Voice Mail Brandon Powell - NMOCD - Cell Phone Bryce Hammond - Jicarilla - Cell Phone		
By Whom?	Rodger Mullins	Date and Hour	11-10-10 1500		
Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	Approx. 5 gallons		

RCVD NOV 17 '10  
OIL CONS. DIV.  
DIST. 3

If a Watercourse was Impacted, Describe Fully \*

Crude oil contaminated approx 10' of wash

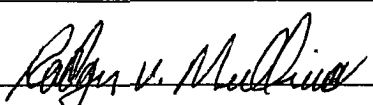
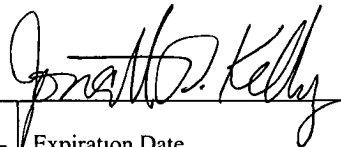
Describe Cause of Problem and Remedial Action Taken \*

Polish rod liner set to high allowing oil to escape above stuffing box on up stroke  
Operator shut pump jack down. Dammed up oil to stop more from running off location.

Describe Area Affected and Cleanup Action Taken.\*

20' radius around well head Narrow stream of crude oil ran off location approximately one hundred fifty (150) yards and into wash approx 10 feet  
(Removed contaminated dirt apply urea to contaminated area Replaced contaminated dirt with clean dirt)

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	Rodger Mullins	Approved by District Supervisor	
Title	Environmental Manager	Approval Date	3/6/2012
E-mail Address		Expiration Date	
Date	11-16-2010	Conditions of Approval	Attached <input type="checkbox"/>
Phone	(505)325-1821		

\* Attach Additional Sheets If Necessary

nJK1206651186