

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-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Dugan Production Corp. Telephone: (505)325-1821 e-mail address: martyfoutz@duganproduction.com
Address: P. O. Box 420, Farmington, NM 87499-0420
Facility or well name: Atlantis #4 API #: 30-045-27094 U/L or Qtr/Qtr B Sec 3 T 30N R 14W
County: San Juan Latitude 36.84784 Longitude 108.29297 NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlined ☐
Liner type: Synthetic ☒ Thickness 8 mil Clay ☐
Pit Volume 600 bbl

Below-grade tank

Volume: bbl Type of fluid:
Construction material:
Double-walled, with leak detection? Yes ☐ If not, explain why not:

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

10

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

0

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

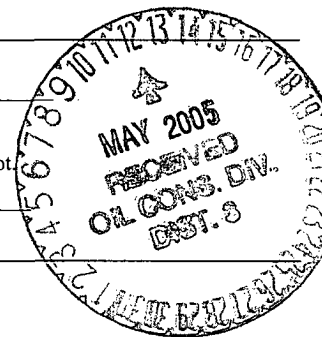
1000 feet or more

(0 points)

20

Ranking Score (Total Points)

30



If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☒ offsite ☐ If offsite, name of facility . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

On 11-18-04 water was removed from the old drilling reserve pit. The pit was approximately 42' x 27' x 2 to 4' and was initially constructed during July 1990. The pit center is 21' N 42° E of the wellhead. The pit liner had deteriorated and was not encountered during closure. Blagg Engineering Inc. tested the pit for TPH with none being detected. The test sample had a field OVM reading of 3.0 ppm. Copies of Blagg's field closure report and EnviroTech's lab report are attached. The pit was filled and the surface contoured for drainage on 12-20-04. The disturbed area will be seeded in the near future.

Alternative to NMOCD guidelines – the Atlantis No. 4 is located upon Federal Lease NM-10561 and until a general permit is prepared and approved, Dugan Production intends to follow NMOCD guidelines modified only as necessary to comply with stipulations imposed by the BLM.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☒.

Date: May 5, 2005

Printed Name/Title Marty Foutz, Production Foreman

Signature Marty Foutz

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title DEPUTY OIL & GAS INSPECTOR, DIST. 8

Signature Denny Foutz

Date

MAY 12 2005

50-045-27044

36.84784N x 108.29297 W

CLIENT: DUGAN
BLAGG ENGINEERING, INC.
P.O. BOX 87, BLOOMFIELD, NM 87413
(505) 632-1199

LOCATION NO: _____

COCR NO: 13303**FIELD REPORT: PIT CLOSURE VERIFICATION**PAGE No: 1 of 1LOCATION: NAME: ATLANTIS WELL #: 4 TYPE: DISPOSALDATE STARTED: 11-18-04DATE FINISHED: 11-18-04QUAD/UNIT: B SEC: 3 TWP: 30N RNG: 14W PM: NM CNTY: SJ ST: NMQTR/FOOTAGE: 850 FNL = 1800 FEL CONTRACTOR: MJO (MIKE)ENVIRONMENTAL
SPECIALIST: JCBEXCAVATION APPROX. NA FT. x NA FT. x NA FT. DEEP. CUBIC YARDAGE: 0DISPOSAL FACILITY: NA REMEDIATION METHOD: CLOSE AS ISLAND USE: RANGE - BLM LEASE: NM-10561 FORMATION: FCFIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY 21 FT. N42E FROM WELLHEAD.DEPTH TO GROUNDWATER: >100 NEAREST WATER SOURCE: >1000 NEAREST SURFACE WATER: >1000NMOCD RANKING SCORE: 0 NMOCD TPH CLOSURE STD: 5000 PPM**SOIL AND EXCAVATION DESCRIPTION:**OVM CALIB. READ. = 52.7 ppmOVM CALIB. GAS = 100 ppm RF = 0.52TIME: 1215 am/pm DATE: 11-18-04SOIL TYPE: SAND (SILTY SAND) SILT / SILTY CLAY / CLAY / GRAVEL / OTHER _____SOIL COLOR: TANCOHESION (ALL OTHERS): NON COHESIVE (SLIGHTLY COHESIVE) COHESIVE / HIGHLY COHESIVE

CONSISTENCY (NON COHESIVE SOILS): LOOSE / FIRM / DENSE / VERY DENSE

PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC

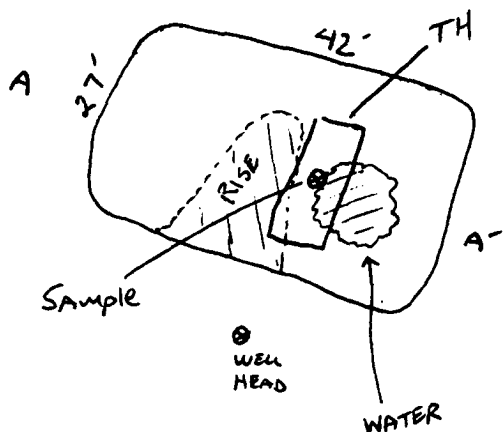
DENSITY (COHESIVE CLAYS & SILTS) (SOFT) / FIRM / STIFF / VERY STIFF / HARDMOISTURE: DRY / SLIGHTLY MOIST (MOIST) / WET / SATURATED / SUPER SATURATEDDISCOLORATION/STAINING OBSERVED: YES (NO) EXPLANATION - _____HC ODOR DETECTED: YES (NO) EXPLANATION - _____SAMPLE TYPE: GRAB / COMPOSITE - # OF PTS. _____
 ADDITIONAL COMMENTS: 42' x 27' x 4' ± Deep Earthen Pit, w/
about 6" water on East Quarter. wetlands type vegetation growing
in Pit. USE VAC TRUCK to Remove Water + Backhoe to Dig test Hole.
FIELD 418.1 CALCULATIONS

SCALE



0 FT

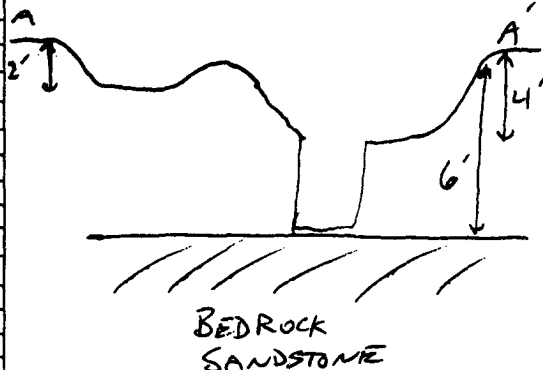
SAMP. TIME	SAMP. ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (ppm)

PIT PERIMETER**PIT PROFILE****OVM
READING**

SAMPLE ID	FIELD HEADSPACE (ppm)
1 @ 6'	3.0
2 @	
3 @	
4 @	
5 @	

LAB SAMPLES

SAMPLE ID	ANALYSIS	TIME
1 @ 6'	TPH	1205


 P.D. = PIT DEPRESSION; B.G. = BELOW GRADE; B = BELOW
 T.H. = TEST HOLE; ~ = APPROX; T.B. = TANK BOTTOM
TRAVEL NOTES:CALLOUT: 11-18-04 1020 ONSITE: 11-18-04 1145

EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Client: Blagg / Dugan
Sample ID: 1 @ 6'
Laboratory Number: 31287
Chain of Custody No: 13303
Sample Matrix: Soil
Preservative: Cool
Condition: Cool and Intact

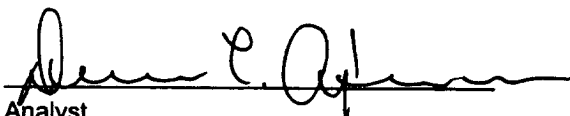
Project #: 94034-010
Date Reported: 11-23-04
Date Sampled: 11-18-04
Date Received: 11-22-04
Date Extracted: 11-22-04
Date Analyzed: 11-23-04
Analysis Requested: 8015 TPH

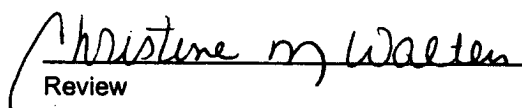
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Atlantis 4 Disposal Pit.**


Analyst


Review