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:
Address: P.O. Box 420, Farmington, New Mexico 87401
Facility or well name: State Com No. 2A API #: 30-045-32242 U/L or Qtr/Qtr F Sec 16 T 32N R 12W
County: San Juan Latitude 36.98827 Longitude 108.10328 NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit	**Below-grade tank**		
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☒ Liner type: Synthetic ☐ Thickness ____mil Clay ☐ Pit Volume 6,300 ± bbl	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 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	0
	Ranking Score (Total Points)		0

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.

Additional Comments:
105' x 42' x 8'± deep unlined drilling reserve pit., center located 66 feet South 69° East of wellhead.
Collect 10 point composite of pit contents for laboratory testing
TPH recorded at 99.4 mg/Kg.

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: 7/29/05
Printed Name/Title JEFF BLAGG, AGENT Signature Jeff Blagg

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. #3 Signature Denny Foust Date: AUG - 4 2005

30-045-32242 36.98827 x 108.10328

CLIENT: DUGAN

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

LOCATION NO:
COCR NO: 13927

FIELD REPORT: PIT CLOSURE VERIFICATION

PAGE No: 1 of 1

LOCATION: NAME: STATE COM WELL #: 2A TYPE: DRILLING
QUAD/UNIT: F SEC: 16 TWP: 32N RNG: 12W PM: NM CNTY: SJ ST: NM
QTR/FOOTAGE: 1850 FNL x 1850 FWL CONTRACTOR: NA

DATE STARTED: 7-14-05
DATE FINISHED: 7-14-05
ENVIRONMENTAL SPECIALIST: JCB

EXCAVATION APPROX. NA FT. x NA FT. x NA FT. DEEP. CUBIC YARDAGE: 0
DISPOSAL FACILITY: NA REMEDIATION METHOD: CLOSE AS IS
LAND USE: STATE LEASE: E-4426 FORMATION: MV

FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY 66 FT. S69E FROM WELLHEAD.
DEPTH TO GROUNDWATER: >100' NEAREST WATER SOURCE: >1000' NEAREST SURFACE WATER: >1000 ± JACQUEZ ARROYO
NMOCD RANKING SCORE: 10 NMOCD TPH CLOSURE STD: 5000 PPM

OVM CALIB. READ. = ppm
OVM CALIB. GAS = ppm RF = 0.52
TIME: am/pm DATE:

SOIL AND EXCAVATION DESCRIPTION:

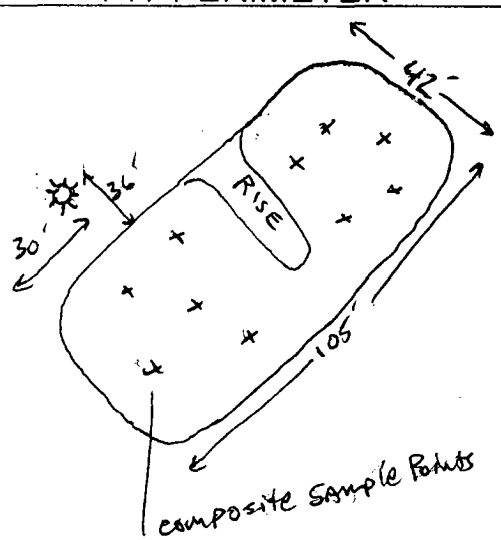
SOIL TYPE: SAND / SILTY SAND / SILT / SILTY CLAY / CLAY / GRAVEL / OTHER DRILL CUTTINGS
SOIL COLOR: GRAY & BLACK
COHESION (ALL OTHERS): (NON COHESIVE) SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE
CONSISTENCY (NON COHESIVE SOILS): LOOSE / FIRM / DENSE / VERY DENSE
PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC
DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD
MOISTURE: DRY / SLIGHTLY MOIST / (MOIST) / WET / SATURATED / SUPER SATURATED
DISCOLORATION/STAINING OBSERVED: (YES) / NO EXPLANATION - Grey - Black
HC ODOR DETECTED: YES / NO EXPLANATION - Did Not Smell
SAMPLE TYPE: GRAB (COMPOSITE) # OF PTS. 10
ADDITIONAL COMMENTS: 105'x42'x8'± Deep Earthen Drilling Pit. Collect 10 Point Composite of Pit contents @ 1'-1½' Below Surface.

FIELD 418.1 CALCULATIONS

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

SCALE 0 FT

PIT PERIMETER



P.D. = PIT DEPRESSION; B.G. = BELOW GRADE; B = BELOW
T.H. = TEST HOLE; ~ = APPROX.; T.B. = TANK BOTTOM

OVM READING

SAMPLE ID	FIELD HEADSPACE (ppm)
1 @	
2 @	
3 @	
4 @	
5 @	
10 Point Composite	NA

LAB SAMPLES

SAMPLE ID	ANALYSIS	TIME
10 Point Composite	TPH - BTEX CATION/ANION	1240

PIT PROFILE

TRAVEL NOTES: CALLOUT: ONSITE: 7/14/05 1215

revised: 09/04/02

bei1005C.skf

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Reserve Pit	Date Reported:	07-20-05
Laboratory Number:	33693	Date Sampled:	07-14-05
Chain of Custody No:	13927	Date Received:	07-15-05
Sample Matrix:	Mud / Cuttings	Date Extracted:	07-19-05
Preservative:	Cool	Date Analyzed:	07-20-05
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	**ND**	**0.2**
Diesel Range (C10 - C28)	**99.4**	**0.1**
Total Petroleum Hydrocarbons	**99.4**	**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: **State Com #2A 10-Point Composite.**

Analyst

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Reserve Pit	Date Reported:	07-20-05
Laboratory Number:	33693	Date Sampled:	07-14-05
Chain of Custody:	13927	Date Received:	07-15-05
Sample Matrix:	Mud / Cuttings	Date Analyzed:	07-20-05
Preservative:	Cool	Date Extracted:	07-19-05
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	**ND**	**2.1**
Toluene	**18.1**	**1.8**
Ethylbenzene	**33.4**	**1.7**
p,m-Xylene	**69.4**	**1.5**
o-Xylene	**31.0**	**2.2**
Total BTEX	**152**	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	**99.0 %**
	1,4-difluorobenzene	**99.0 %**
	Bromochlorobenzene	**99.0 %**

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **State Com #2A 10-Point Composite.**

Analyst

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ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

CATION / ANION ANALYSIS

Client:	Blagg / Dugan	Project #:	94034-010
Sample ID:	Reserve Pit	Date Reported:	07-19-05
Laboratory Number:	33693	Date Sampled:	07-14-05
Chain of Custody:	13927	Date Received:	07-15-05
Sample Matrix:	Mud / Cuttings	Date Extracted:	07-18-05
Preservative:	Cool	Date Analyzed:	07-19-05
Condition:	Cool & Intact		

Parameter	Analytical Result	Units		
pH	**9.80**	s.u.		
Conductivity @ 25° C	**405**	umhos/cm		
Total Dissolved Solids @ 180C	**254**	mg/L		
Total Dissolved Solids (Calc)	**258**	mg/L		
SAR	**6.2**	ratio		
Total Alkalinity as CaCO3	**35.2**	mg/L		
Total Hardness as CaCO3	**28.0**	mg/L		
Bicarbonate as HCO3	**35.2**	mg/L	0.58	meq/L
Carbonate as CO3	**<0.1**	mg/L	0.00	meq/L
Hydroxide as OH	**<0.1**	mg/L	0.00	meq/L
Nitrate Nitrogen	**0.1**	mg/L	0.00	meq/L
Nitrite Nitrogen	**0.013**	mg/L	0.00	meq/L
Chloride	**27.6**	mg/L	0.78	meq/L
Fluoride	**0.31**	mg/L	0.02	meq/L
Phosphate	**0.5**	mg/L	0.02	meq/L
Sulfate	**120**	mg/L	2.49	meq/L
Iron	**<0.001**	mg/L	0.00	meq/L
Calcium	**11.2**	mg/L	0.56	meq/L
Magnesium	**<0.01**	mg/L	0.00	meq/L
Potassium	**2.33**	mg/L	0.06	meq/L
Sodium	**74.9**	mg/L	3.26	meq/L
Cations			3.88	meq/L
Anions			3.88	meq/L
Cation/Anion Difference			**0.02%**	

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **State Com #2A 10-Point Composite.**

Christine M Walters
Analyst

Review

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