

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

30-045-26523

OPERATOR Initial Report Final Report

Name of Company	Dugan Production Corp.	Contact	Rodger Mullins (505-320-5443)
Address	P. O. Box 420, Farmington, NM 87499-0420	Telephone No.	(505)325-1821
Facility Name	La Lee Ann #7	Facility Type	Oil Well

Surface Owner	Federal	Mineral Owner	Federal	Lease No.	NM-37913
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	28	27N	13W	1850	North	1850	West	San Juan

Latitude 36.54842 Longitude -108.22636

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	Unknown	Volume Recovered	6 bbls
Source of Release	Wellhead stuffing box	Date and Hour of Occurrence	09/04/13 - time unknown	Date and Hour of Discovery	09/04/13 @ 1800 hrs
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	OCD- Brandon Powell If YES, To Whom? BLM- Mark Kelly (voicemail)			
By Whom?	Rodger Mullins	Date and Hour	09/05/13 @ 0845 hrs		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

OIL CONS. DIV DIST. 3

SEP 09 2013

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Oil leaked out stuffing box on wellhead

Describe Area Affected and Cleanup Action Taken.*
Oil stayed on location in front of pump jack. Oil was sucked up. Contaminated dirt was removed and replaced 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:	<i>Rodger V. Mullins</i>	OIL CONSERVATION DIVISION	
Printed Name:	Rodger Mullins	Approved by District Supervisor:	<i>Jonathan D. Kelly</i>
Title:	Environmental	Approval Date:	9/11/2013
E-mail Address:	rodger.mullins@duganproduction.com	Expiration Date:	
Date:	September 6, 2013	Conditions of Approval:	Attached <input type="checkbox"/>
Phone:	(505)325-1821		

* Attach Additional Sheets If Necessary.

NJK 1325437610