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

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

| Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \text{No } \subseteq \) Type of action: Registration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\subseteq \) | | |
|--|---|--|
| | | |
| Address P. O. Box 420, Farmington, NM 87499-0420 | | |
| Facility or well name: Bonanza Com #92 API #: 30-045-33312 U/L or Qtr/Qtr G Sec 24 T 23N R 11W | | |
| County: <u>San Juan</u> Latitude <u>36.21444</u> Longitude <u>107 95166</u> NAD: 1927 ⊠ 1983 □ Surface Owner Federal ⊠ State □ Private □ Indian □ RCUD HAY 2 '08 | | |
| Pit | Below-grade tank | |
| Type: Drilling ☑ Production ☐ Disposal ☐ | Volumebbl Type of fluid: | OIL CONS. DIV. |
| Workover ☐ Emergency ☐ | Construction material: DIST. 3 | |
| Lined 🛛 Unlined 🗌 | Double-walled, with leak detection? Yes If not, explain why not. | |
| Liner type: Synthetic M Thickness 12 mil Clay | | |
| Pit Volume <u>500</u> bbl | | |
| Depth to ground water (vertical distance from bottom of pit to seasonal | Less than 50 feet | (20 points) |
| high water elevation of ground water.) | 50 feet or more, but less than 100 feet | (10 points) |
| ings water of cranton or ground water. | 100 feet or more | (0 points) 0 |
| Wellhead protection area: (Less than 200 feet from a private domestic | Yes | (20 points) |
| water source, or less than 1000 feet from all other water sources.) | | ` • ′ |
| | No | (0 points) 0 |
| Distance to surface water: (horizontal distance to all wetlands, playas, | Less than 200 feet | (20 points) |
| irrigation canals, ditches, and perennial and ephemeral watercourses.) | 200 feet or more, but less than 1000 feet | (10 points) |
| | 1000 feet or more | (0 points) 10 |
| | Ranking Score (Total Points) | 10 |
| 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 you | | |
| are burying in place) onsite 🖂 offsite 🗌 If offsite, name of facility | | |
| 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. | | |
| The drilling/reserve pit at the Bonanza Com #92 closure The pit liner cut off | | ment Landfill substation The pits dimensions |
| are approx 10' deep x 10' wide x 60' length with an average 3' slope and its center is approx. E15' of wellhead. See attached. Until a general permit is prepared and approved, | | |
| Dugan Production Corp. intends to follow NMOCD guidelines modified only as necessary to comply with stipulations imposed by the Bureau of Land Management. | | |
| Closure date 4/26/08 | | |
| | | |
| | | And the second s |
| 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: April 30, 2007 *NOTE. NMOCD GUIDELINES WILL BE MODIFIED ONLY AS NECESSARY TO COMPLY WITH BLM STIPULATIONS | | |
| Printed Name/Title Kurt Fagrelius, Vice-President, Exploration Signature Kurt Fagrelius, Vice-President, Exploration | | |
| 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: Deputy Oil & Gas Inspector, Printed Name/Title District #3 | Signature BM RM | Date JUN 0 2 2008 |