

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

API # 30-045-25630

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
Facility Name	Locke #1	Facility Type	

Surface Owner	Federal	Mineral Owner	Federal	Lease No.	SF-078110
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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
P	3	29N	14W	1120	South	1120	East	San Juan

Latitude 36.75152 Longitude 108.29082

NATURE OF RELEASE

Type of Release	produced water	Volume of Release approx	100 bbls	Volume Recovered	0 bbls
Source of Release	Pump Plunger	Date and Hour of Occurrence	1/21/08 @ approx 10:00 a.m.	Date and Hour of Discovery	1/21/08 @ 10:00 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Aztec NMOCD - Brandon Powell BLM - Erinn Shirley		
By Whom?	Rodger Mullins	Date and Hour	1/21/08 - OCD @ approx 11:00 a.m. & BLM @ 2:00 p.m.		
Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	Approximately 100 bbls		

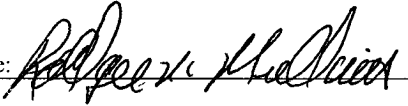

RCVD JAN 24 '08

If a Watercourse was Impacted, Describe Fully.* Ran off location & down a ravine.	OIL CONSV. DIV. DIST. 3
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Describe Cause of Problem and Remedial Action Taken.* Valve left open from wellhead. Remedial work is pending upon lab results.
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Describe Area Affected and Cleanup Action Taken.* Remedial work is pending upon lab results. Final report will be submitted once lab results are in and remedial work is completed.
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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: 	OIL CONSERVATION DIVISION	
Printed Name: Rodger Mullins	Approved by District Supervisor:  For: Charlie Perrin	
Title: Production Foreman	Approval Date: 1-24-08	Expiration Date:
E-mail Address: rmullins@duganproduction.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: January 23, 2008 Phone: (505)325-1821		

* Attach Additional Sheets If Necessary

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