

District I - (505) 393-6161
P.O. Box 1940
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 South First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-141
Originated 2/13/97

Submit 2 copies to
Appropriate District
Office in accordance
with Rule 116

Release Notification and Corrective Action

30 045 25630

OPERATOR

☒ Initial Report ☐ Final Report

Name	Dugan Production Corp	Contact	John Alexander
Address	P.O. Box 420, Farmington NM	Telephone No.	505-325-1821
Facility Name	Locke / SWD	Facility Type	Salt Water Disposal Well

Surface Owner	BLM - Elk King Grazing	Mineral Owner	BLM	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	S	1120	E	SAN JUAN

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Produced water	10 bbls (est)	0
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Pit ran over	10/8/2002	10/9/2002 0800
Was Immediate Notice Given?	If YES, To Whom?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required		
By Whom?	Date and Hour	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Flow disposal well back to steel pit in preparation for
step-rate-test. Pit left unattended. Pit filled up and over-ran.

Describe Area Affected and Cleanup Action Taken.*

Spill contained in area around pit. No cleanup action taken

Describe General Conditions Prevailing (Temperature, Precipitation, etc.).*

70°F - No precipitation

I hereby certify that the information given above is true and complete to the best of
my knowledge and belief.

Signature: John Alexander

Printed Name: John Alexander

Title: VP

Date: 10/9/2002

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by
District Supervisor: Denny Feet
for Frank Chavez

Approval Date: 10/15/02

Expiration Date:

Conditions of Approval: Use proper
form in future

Attached ☐

* Attach Additional Sheets If Necessary

11 DG F0228840847

EXHIBIT A

116 RELEASE NOTIFICATION AND CORRECTIVE ACTION

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50... - 97.]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [- 97.]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements:

(1) A Major Release shall be reported by giving both immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an authorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [- 97.]

(2) A Minor Release shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [- 97]

116.C. CONTENTS OF NOTIFICATION:

(1) Immediate verbal notification required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73... - 97.]

(2) Timely written notification is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73... - 97.]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A.19). [- 97.].