

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 30-045-25034** **OPERATOR** ☐ Initial Report ☒ Final Report

Name of Company	Dugan Production Corp.	Contact	Paul Sikora
Address	P. O. Box 420, Farmington, NM 87499-0420	Telephone No.	(505)325-1821
Facility Name	Kaibab Trail #1	Facility Type	oil well

Surface Owner	Federal/Indian	Mineral Owner	Federal/Indian	Lease No.	NOOC14204310
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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
M	20	24N	8W	790	South	790	West	San Juan

Latitude 36.29486 Longitude 107.71053

**NATURE OF RELEASE**

Type of Release	oil	Volume of Release	approx 160	Volume Recovered	approx 100
Source of Release	Pit overflowed	Date and Hour of Occurrence	12/6/07 @ approx 7:30 a.m.	Date and Hour of Discovery	12/1/07 @ approx 9:00 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 Office NMOCD-Brandon Powell-12/6/07 1:45 pm & BLM Farmington Office-Cliff Ollom-12/6/07 2:00 pm			
By Whom?	Rodger Mullins	Date and Hour	see above		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			
If a Watercourse was Impacted, Describe Fully.*		<b>RCVD DEC 10 '07</b>			
		<b>OIL CONS. DIV.</b>			
		<b>DIST. 3</b>			
Describe Cause of Problem and Remedial Action Taken.* Lease operator was draining water off and failed to close drain valve causing oil in tanks to unload. Vacuum trucks came in to vacuum up recoverable oil. Soils will be remediated..					
Describe Area Affected and Cleanup Action Taken.* Contained to location. No watercourse reached. Vacuum trucks came in to vacuum up recoverable oil. Soils will be remediated.					
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:		<b>OIL CONSERVATION DIVISION</b>			
Printed Name: Paul Sikora		Approved by District Supervisor: <i>Brandon Powell</i> For: <i>Charlie Perrin</i>			
Title: Production Foreman		Approval Date: <i>12-10-07</i>		Expiration Date:	
E-mail Address: <i>paulsikora@duganproduction.com</i>		Conditions of Approval:		Attached <input type="checkbox"/>	
Date: December 6, 2007 Phone: (505)325-1821					

\* Attach Additional Sheets If Necessary

*n BP 0736034026*