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

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

1858

Proposed Alternative Method Permit or Closure Plan Application

Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances. Dugan Production Corp. RCVD JUL 15 '08 709 East Murray Drive, Farmington, New Mexico 87401 Address: _ OIL CONS. DIV. Facility or well name: Marathon Com #91 API Number: 30-045-345291 DIST. 3 OCD Permit Number: Range 10W San Juan U/L or Otr/Otr D Section 4 Township County: Center of Proposed Design: Latitude 36.25973 North Longitude 107.90601 West NAD: □1927 🗵 1983 Surface Owner:

Federal

State

Private

Tribal Trust or Indian Allotment X Pit: Subsection F or G of 19.15.17.11 NMAC Closed-loop System: Subsection H of 19.15.17.11 NMAC ☐ Drying Pad ☐ Tanks ☐ Haul-off Bins ☐ Other _ Temporary: X Drilling Workover Permanent Emergency Cavitation ☐ Lined ☐ Unlined X Lined Unlined Liner type: Thickness __mil _ LLDPE _ HDPE _ PVC Liner type: Thickness 20 _mil X LLDPE HDPE PVC Other Seams: Welded Factory Other X String-Reinforced Seams: Welded X Factory Other Volume: ______bbl _____yd³ Volume: 600 bbl Dimensions: L 76' x W 13' x D 8' Dimensions: Length____ x Width___ Fencing: Subsection D of 19.15.17.11 NMAC Below-grade tank: Subsection I of 19.15.17.11 NMAC Chain link, six feet in height, two strands of barbed wire at top Type of fluid: Four foot height, four strands of barbed wire evenly spaced between one and Tank Construction material: ___ four feet Secondary containment with leak detection Netting: Subsection E of 19.15.17.11 NMAC Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Screen Netting Other ☐ Visible sidewalls and liner ☐ Monthly inspections ☐ Visible sidewalls only Signs: Subsection C of 19.15.17.11 NMAC X 12'x24', 2' lettering, providing Operator's name, site location, and Other Liner type: Thickness emergency telephone numbers Other ☐ Signed in compliance with 19.15.3.103 NMAC Administrative Approvals and Exceptions: Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bireau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the RECEIVED appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. APR 2010 Exception(s): Requests must be submitted to the Santa Fe

Oil Conservation Division

OIL COMS DIV DIST 3

Form C-144

Page 1 of 4

Environmental Bureau office for consideration of approval.

Siting Criteria (regarding permitting): 19.15.i JNMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes 🗵 No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☒ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☒ No ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes 🖾 No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes 🏿 No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☒ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☒ No
Within a 100-year floodplain FEMA map	☐ Yes 🎛 No
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.98 Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do attached. ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.15 NMAC ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.15 NMAC ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC ☐ Previously Approved Design (attach copy of design) API Number:	Souments are
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do	cuments are
attached. Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
Previously Approved Design (attach copy of design) API Number:	

462. 604

Permanent Pits Permit Application Checklist: absection B of 19.15.17.9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do	ocuments are			
attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.15 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment				
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC				
Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC				
Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC				
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC				
Quality Control/Quality Assurance Construction and Installation Plan				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC				
 Nuisance or Hazardous Odors, including H₂S, Prevention Plan Emergency Response Plan 				
Oil Field Waste Stream Characterization				
Monitoring and Inspection Plan				
☐ Erosion Control Plan				
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC Proposed Closure: 19.15.17.13 NMAC				
Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank Closed-loop System	Alternative			
Proposed Closure Method: Waste Excavation and Removal				
On-site Closure Method (only for temporary pits and closed-loop systems)				
☐ In-place Burial ☐ On-site Trench Burial ☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for con	nsideration)			
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC				
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable				
source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from				
the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau				
office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10				
NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste.	☐ Yes ☐ No			
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	X NA			
Ground water is between 50 and 100 feet below the bottom of the buried waste	☐ Yes ☐ No 🖾 NA			
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	A NA			
Ground water is more than 100 feet below the bottom of the buried waste.	Yes □ No			
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	□ NA			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake	☐ Yes ☒ No			
(measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site				
- Topographic map, visual hispection (certification) of the proposed site	_			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes X No			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image				
	[] [99]			
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock	Yes 🗓 No			
watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site				
- Will Office of the State Elignica - TWATERS database, Visual hispection (certification) of the proposed site				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	☐ Yes 🗵 No			
adopted pursuant to NMSA 1978, Section 3-27-3, as amended.				
- Written confirmation or verification from the municipality; Written approval obtained from the municipality				
Within 500 feet of a wetland.	☐ Yes ☒ No			
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	L ICS M NO			
25 1 M. and Whathe Wedant Identification map, Topographic map, Visual inspection (continuation) of the proposed site				
Within the area overlying a subsurface mine.	☐ Yes 🏻 No			
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division				
Within an unstable area. Engineering magazines incomparated into the degical NM Durage of Coolean & Minaral Recognized USCS, NM Cooleanical	□ Vaa V N.			
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes 🗵 No			
boolety, 1 thogsahine map	,			
Within a 100-year floodplain.	☐ Yes 🏻 No			
- FFMA map				

 $= e^{-\frac{1}{2}} \left(E(\mathbf{x}_{i}) \cdot E(\mathbf{x}_{i}) \cdot \mathbf{x}_{i+1} \cdot \mathbf{x}_{i+1} \cdot \mathbf{x}_{i+1} \right) = E(\mathbf{x}_{i}) \cdot \mathbf{x}_{i+1} \cdot \mathbf{x}_{i+1}$

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the			
closure plan. Please indicate, by a check mark in the box, that the documents are attached.			
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
Disposal Facility Name and Permit Number (or liquids, drilling fluids and drill cuttings)			
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			
Waste Removal Closure For Closed-loop Systems That Utilize Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings.			
Disposal Facility Name: Disposal Facility Permit Number:			
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate,			
by a check mark in the box, that the documents are attached.			
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC			
Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
☐ Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC			
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
 ☑ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) ☑ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC 			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC			
Operator Application Certification:			
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.			
Name (Print): Kurt Fagrelius Title: Vice President, Exploration			
Signature: /w/tzgrelv~ Date: 7-15-08			
e-mail address: kfagrelius@duganproduction.com Telephone: 505-325-1821 (0), 505-320-8248 (C)			
OCD Approval: Permit Application (including closure plan) Closure Plan (only)			
OCD Representative Signature: Bul Dill 3/3/11 Approval Date: 9-29-08			
Title: Enviro / soec OCD Permit Number:			
THE. LANTO 1 Spece OCD Tellin Number.			
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Completion Date: 4-3-2069			
Closure Method:			
Waste Excavation and Removal ☑ On-Site Closure Method ☐ Alternative Closure Method ☐ If different from approved plan, please explain.			
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.			
☑ Proof of Closure Notice			
Proof of Deed Notice (if applicable) Description:			
 ✓ Plot Plan ✓ Confirmation Sampling Analytical Results 			
☑ Waste Material Sampling Analytical Results			
☐ Disposal Facility Name and Permit Number ☐ Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
Cito Douber ation (Dhata Dannanatain)			
On-site Closure Location: Latitude 36.25979° N Longitude 107.90620° W NAD: 1927 1983			
Operator Closure Certification:			
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			

Dugan Production Corp. Closure Report

Lease Name: Marathon Com #91

API No.: 30-045-34539

In accordance with Rule 10.15.17.13 NMAC the following information describes the closure of the temporary pit referenced above. All proper documentation concerning closure activities is included with the C-144. The temporary pit for this location was an approved design under Rule 19.15.17. **The closure plan for the temporary pit was submitted on 7-15-2008 and approved on 9-29-2008.**

1. Comply with siting criteria for temporary pits established by the State of New Mexico, Energy Minerals and Natural Resources Department 19.15.17.10 NMAC.

See approved permit dated 9-29-2008

2. Provide the NMOCD district office at least 72-hours notice but no greater than 1-week prior to any closure operations. Notice will include operator name, well name and number, API number, and location (unit letter, section, township and range).

See email notification dated 4-1-2009

3. Provide the surface owner notice of the operator's proposal of an on-site closure method. Proof of notice will be attached to the permit application. Also, proof of closure notice will be provided by certified mail to surface owner after closure. Proof of notice will be attached to final closure report.

Navajo Allotted surface, certified notification not applicable as per BLM/OCD MOU.

4. Remove all liquid from pit and reclaim, re-use or dispose of at an NMOCD approved facility. Upon completion of drilling operations, drilling mud will be vacuumed from pit and transported to the next reserve pit for re-use at another drilling location. After the remaining mud settles, the free water that shakes out and any free water left over from completion operations will be hauled to the Dugan Production operated Sanchez O'Brien #1 SWD located 1650 feet from the South line and 990 feet from the West line (Unit L) of Section 6, Township 24 North, Range 9 West NMPM, San Juan County, New Mexico. The disposal facility was permitted by the NMOCD with Administrative Order SWD-694.

Drilling rig was released (11-11-2008), and drilling mud was transferred to the Squaw Valley Com #90 for re-use (11-12-2008). Remaining free water was transferred to the Sanchez O'Brien SWD #1 salt water disposal well.

5. Remove all fluids from temporary pit within 30-days and close within 6-months following release of drilling rig.

Free water was removed within 30-days and temporary pit was closed (4-3-2009).

6. Air dry pit contents and stabilize or solidify to a load bearing capacity sufficient to support the temporary pit's final cover.

Pit contents were allowed to dry prior to temporary pit closure.

7. Collect a five point, composite sample of the pit contents to demonstrate that Benzene, BTEX, the GRO and DRO combined fraction, TPH. and chlorides (depth to groundwater from bottom of pit is greater than 100-feet), do not exceed the standards as specified in 19.15.17.9.B or the background concentration, whichever is greater.

A five point composite sample was taken of remaining cuttings in temporary pit and was tested in accordance with Subsection B of 19.15.17.13 (B)(1)(b)(ii). Depth from bottom of pit to top of ground-water is greater than 100-feet. Sample results are attached.

Components	Test Method	Limit (mg/kg)	*Results (mg/kg)
Benzene	EPA SW-846 8021B or 8260B	0.2	<0.0009
BTEX	EPA SW-846 8021B or 8260B	50	0.0327
TPH	EPA SW-846 418.1	2500	264
GRO/DRO	EPA SW-846 8015M	500	19.4
Chlorides	EPA 300.1	1000 / 500	120

8. Other methods if the standards in 19.15.17.9.B can not be met will include: The pit contents may be mixed to a ratio not to exceed 3:1, un-contaminated soil or other material to pit contents. A second five point, composite sample of the contents after treatment or stabilization will be taken to demonstrate that the contents do not exceed the standards. If the second soil analyses do no satisfy the closure standards, the operator will close the temporary pit using the waste excavation and removal method.

Not applicable, testing standards of 19.15-17.9 were met.

9. Cut pit liner off at the mud line (solids level); remove liner and apron and transport to a NMOCD approved facility for disposal.

Pit liner was removed 4-3-2009 and disposed of at the Crouch Mesa Waste Management facility on 4-3-2009 (see attached invoice).

10. Stockpiled sub-surface soil will be used to backfill pit and re-contour well pad (to a final or intermediate cover that blends with the surrounding topography). A minimum of four-feet of compacted, non-waste containing, earthen material will be used as backfill.

Stockpiled sub-surface soil was used to backfill temporary pit and re-contour well pad. A minimum of four-feet of compacted, non-waste containing, earthen material was used to backfill pit.

11. Stockpiled surface soil will be used as a cover over the backfilled pit and disturbed areas of the well pad no longer needed for production operations. The soil cover will include either the background thickness of top soil or one foot of suitable material to establish vegetation at the site whichever is greater.

Stockpiled surface soil was used to cover backfilled temporary pit and disturbed areas of the well pad no longer needed for production operations. The soil cover included the greater of either the background thickness or one foot of suitable material necessary to establish vegetation. The location was re-contoured to approximate the original topography of the site and diversions were constructed to protect soil cover and minimize erosion.

12. The area will be re-seeded as per BLM guidelines. Re-seeding will be repeated until 70% of the native natural cover is achieved and maintained for two successive growing seasons. The first growing season after the pit is closed the disturbed area will be re-seeded. The seeding method will be to drill on contour whenever possible.

The area was re-seeded according to BLM/OCD guidelines in May of 2009. The BLM less than 10" seed mix was drilled in at a rate of 2.5# per acre. Re-seeding will be repeated if needed until 70% of the native natural cover is achieved. Re-seeding will be done according to BLM guidelines as specified by BLM/OCD memorandum of understanding.

13. The NMOCD will be notified once successful re-vegetation has been achieved.

Re-seeding will be done according to BLM guidelines as specified by BLM/OCD memorandum of understanding.

14. A steel marker will be set at the center of the on-site burial following onsite-pit closure (see application for administrative approval). The marker will be (24" X 24") and will have the operator name, lease name, well number, location (UL, Sec., Twp. and Rge.) and that it designates an "on-site burial location" lettering welded on the

top side with a 4" threaded collar welded to the bottom side. The marker will be set at ground level and attached to a 4" diameter pipe that is cemented in a hole three feet deep. When the well is abandoned, a steel riser that is 4" in diameter, extending 4' above the ground will be welded to the pipe anchored in cement below the surface. The riser will have lettering welded on side showing operator name, well number, location (UL, Sec., Twp., and Rge.) and that it designates an on-site burial location.

A flat steel marker (24" X 24") with the lettering "on-site burial location" was set at ground-level in the center of the burial site. The marker is welded to a 4" pipe that is cemented in a 3-foot deep hole and is shown in the attached photographs (administrative approval was received). When the well is P&A'd, the steel plate will be removed and a riser that is 4" in diameter, extending 4' above the ground will be welded to the pipe anchored in cement below the surface. The riser will have lettering welded on the side showing operator name, well number, location (UL, Sec., Twp., and Rge.) and that it designates an on-site burial location.

- 15. Closure Report will be submitted within 60-days of completion of temporary pit closure. Closure report will include the following: 1) Proof of Closure Notice.

 - 2) Proof of Deed Notice (if applicable).
 - 3) Plot Plan.
 - 4) Confirmation Sampling Analytical Results.
 - 5) Waste Material Sampling Analytical Results.
 - 6) Disposal Facility Name and Permit Number.
 - 7) Soil Backfilling and Cover Installation.
 - 8) Re-vegetation Application Rates and Seeding Technique.

All items listed above if applicable are attached and submitted on this date.

16. A deed notice identifying the exact location of the on-site burial will be filed with the County clerk in the county where the on-site burial occurs.

Navajo Allotted surface, deed notice identifying exact location of on-site burial is not applicable according to BLM/OCD MOU.

Kurt Fagrelius

From: Kurt Fagrelius

Sent: Wednesday, April 01, 2009 7:01 AM

'Powell, Brandon, EMNRD'; 'bertha.spencer@bia.gov'; 'Mark_Kelly@nm.blm.gov' <u>ن</u>

Subject: Temporary Drilling Pit Closures

Ladies and Gentlemen,

On Friday April 3, 2009 Dugan Production Corp. will close the temporary drilling pits on the Marathon Com #91 and Squaw Valley Com #90. Both are located in Sec. 4, T23N, R10W on Navajo Allotted surface.

If you have any questions or require additional information, please contact me.

Sincerely, Kurt Fagrelius 505-320-8248

				gan Production C			
			70	9 East Murray Dr	ive		
				rnington, NM 87			
	·						. ,
/Veil Name	= Mara7	he ii	•		, , , ,		
_ocation:							
		7 K M 11 E2 /\i	Th	Willia			
Rig # 1		$y^n \in \mathcal{Z}^n$	~	M. C. L. C. S. Z.			A11
	•						
Spud Date	11-4-0	5	*				
- 1							
Jate :				; ;=			
Rig Moved	1 Pri						
ng moved	1.771	· W					
Turko to Da	umma europe 1 lancitat						
	emove Liquid					/	
ou-days fr	rom ng releas	30) 			,,		to the complete of the displacement parties of the control of the
							The second of th
	ose Pit by:	l					
(180-days	from rig relea	ase)					
		i 					
Leg Book i	of Daily inspe	ections duri	ing Drilling	j / workover oper	ations, we	ekly after	rig is moved off.
		· · · · · · · · · · · · · · · · · · ·	明 新 明的 46:195 ADP AT FEB TOTAL TOTAL TAPO	NAME AND TAXABLE IN COMMENT AND SET OF PARTIES.			S MILITARI THE DE THE STATE OF
i				1			
Date:	Signature	Freeboar	d (> 2-ft.)	Tears or Holes	Oil	Trash	Remarks
Date:	Signature	P		Tears or Holes	Oil Yes / No	Trash Yes / No	Remarks
		Yes		Yes / No	Yes / No	Yes / No	Remarks
11-4-60	DB DB	P		Yes / No	Yes / No	Yes / No	Remarks
11-4-60	DB DB	Yes		Yes / No ルル ルリ	Yes / No NO NO	Yes / No ルの .ぴり	Remarks
11.4.00 11-5 11.0	DB DB DB	Yes		Yes / No Nの NV NO	Yes / No NO NO	Yes / No Nの いり いの	Remarks
11-4-65 11-5 11-0 11-7	08 03 03 03	Yes		Yes/No NU NU NO NO	Yes/No NO NO NO NO	Yes / No NO NO NO NO NO	Remarks
11-4-62 11-5 11-0 11-7	DB DB DB	Yes		Yes / No Nの NV NO	Yes / No NO NO NO NO NO NO NO NO NO	Yes / No NO NO NO NO .UO NO	Remarks
11.4.00 11-5 11-0 11-7 11-8 11-9	08 08 08 00 00	Yes		Yes/No NU NU NO NO	Yes/No NO NO NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO	Remarks
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	Remarks LOST DUO BILOS — PUT 240 BAUK
11.4.00 11-5 11-0 11-7 11-8 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NU NU NO NO	Yes/No NO NO NO NO NO NO NO NO NO	Yes / No NO NO NO NO .UO NO	205T 240 3/165-
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	405T 240 3/165-
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-6, 11-5 11-7 11-7 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-6, 11-5 11-7 11-7 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud Jo Squaeds
11-4-6, 11-5 11-7 11-7 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud Jo Squaeds
11-4-6, 11-5 11-7 11-7 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud Jo Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	LOST 200 3/165- put 240 Back Trenst mud Jo Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds
11-4-65 11-5 11-7 11-8 11-9 11-9	DBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	Yes		Yes/No NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO NO	Yes / No NO NO NO NO NO NO	605T 200 3/165- put 240 Back Trenst mud to Squaeds



EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Client:	Dugan Prod. Corp	Project #:	06094-0003
Sample ID:	Marathon Com #91	Date Reported:	03-05-09
Laboratory Number:	49160	Date Sampled:	02-27-09
Chain of Custody No:	6427	Date Received:	02-27-09
Sample Matrix:	Soil	Date Extracted:	03-03-09
Preservative:	Cool	Date Analyzed:	03-04-09
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	19.4	0.1
Total Petroleum Hydrocarbons	19.4	0.2

ND - Parameter not detected at the stated detection limit.

References:

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

Marathon Com #91.



EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC		Project #:		N/A
Sample ID:	03-04-09 QA/	QC	Date Reported:		03-05-09
Laboratory Number:	49154		Date Sampled:		N/A
Sample Matrix:	Methylene Chlo	ride	Date Received:		N/A
Preservative:	N/A		Date Analyzed:		03-04-09
Condition:	N/A		Analysis Reques	ted:	TPH
	Al-Cal Date a	El Cal RF.	, CCalRF	% Difference	
Gasoline Range C5 - C10	05-07-07	9.8250E+002	9.8289E+002	0.04%	Accept Range 0 - 15%
Diesel Range C10 - C28	05-07-07	1.0662E+003	1.0667E+003	0.04%	0 - 15%
Dieser Kange O W O Zu	03-07-07	1.0002L+003	1.000712003	0.04 /0	0 - 15%
Elank@onc/(mg/L**mg///g)		©oncentialion		Detection Lim	
Gasoline Range C5 - C10		ND		0.2	
Diesel Range C10 - C28		ND		0.1	
Total Petroleum Hydrocarbons		ND		0.2	
Duplicate Conc. (mg/kg) (4	Mal (Sample S).	a - Duplicaté - Ci	#%!Difference	Accepte Rang	a
Gasoline Range C5 - C10	3.9	3.8	2.6%	0 - 30%	254
Diesel Range C10 - C28	99.9	97.2	2.7%	0 - 30%	
Spike Conc. (mg/kg)	###Gamoleta	≇₃SpikerAdded	"Spike:Resulte"	% Recovery	Accept Range
Spike Conc. (mg/kg)	学科(Sample)型 3.9	SpikerAdded 250	∕SpikeiResulti∕ 252	% Recovery 99.1%	Accept Range 75 - 125%

ND - Parameter not detected at the stated detection limit.

References:

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

QA/QC for Samples 49154 - 49155 and 49158 - 49163.

Analyst

Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc.com



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Dugan Prod. Corp	Project #:	06094-0003
Sample ID:	Marathon Com #91	Date Reported:	03-05-09
Laboratory Number:	49160	Date Sampled:	02-27-09
Chain of Custody:	6427	Date Received:	02-27-09
Sample Matrix:	Soil	Date Analyzed:	03-04-09
Preservative:	Cool	Date Extracted:	03-03-09
Condition:	Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	0.9
Toluene	10.2	1.0
Ethylbenzene	3.2	1.0
p,m-Xylene	9.7	1.2
o-Xylene	9.6	0.9
Total BTEX	32.7	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	97.0 %
	1,4-difluorobenzene	97.0 %
	Bromochlorobenzene	97.0 %

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846,

USEPA, December 1996.

Comments:

Marathon Com #91.



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #: Date Reported:	N/A
Sample ID:	03-04-BT QA/QC		03-05-09
Laboratory Number:	49154	Date Received: Date Received:	N/A
Sample Matrix:	Soil		N/A
Preservative:	N/A	Date Analyzed:	03-04-09
Condition:	N/A	Analysis:	BTEX

CalibrationPand Detection Limits (ug/L)	Larren	# ⊤C GaliRF g • • • • • • • • • • • • • • • • • • •	%	Blank Conc	Defect :
Benzene	1.8263E+005	1.8300E+005	0.2%	ND	0.1
Toluene	2.0961E+005	2.1003E+005	0.2%	ND	0.1
Ethylbenzene	2,1066E+005	2.1109E+005	0.2%	ND	0.1
p,m-Xylene	5.6979E+005	5.7093E+005	0.2%	ND	0.1
o-Xylene	2.3028E+005	2.3075E+005	0.2%	ND	0.1

Duplicate Conc (ug/Kg)	ander#r, as D	ijiliealē 🥞	%Diff**	Accept Range	Detect Limit
Benzene	6.9	6.7	2.9%	0 - 30%	0.9
Toluene	10.9	10.5	3.7%	0 - 30%	1.0
Ethylbenzene	10.7	10.5	1.9%	0 - 30%	1.0
p,m-Xylene	62.2	61.7	0.8%	0 - 30%	1.2
o-Xylene	30.2	29.6	2.0%	0 - 30%	0.9

Spike Conc. (ug/Kg)	Sample : Amo	unt Spiked - Spik	ed Sample 🥕	/ Recovery	Accept Range
Benzene	6.9	50.0	56.5	99.3%	39 - 150
Toluene	10.9	50.0	57.9	95.1%	46 - 148
Ethylbenzene	10.7	50.0	59.7	98.4%	32 - 160
p,m-Xylene	62.2	100	157	96.9%	46 - 148
o-Xylene	30.2	50.0	77.1	96.1%	46 - 148

ND - Parameter not detected at the stated detection limit.

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using

Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments:

QA/QC for Samples 49154 - 49163.

Analyst

Review



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:	Dugan Prod. Corp	Project #:	06094-0003
Sample ID:	Marathon Com #91	Date Reported:	03-05-09
Laboratory Number:	49160	Date Sampled:	02-27-09
Chain of Custody No:	6427	Date Received:	02-27-09
Sample Matrix:	Soil	Date Extracted:	03-03-09
Preservative:	Cool	Date Analyzed:	03-03-09
Condition:	Intact	Analysis Needed:	TPH-418.1

		Det.
	Concentration	Limit
Parameter	(mg/kg)	(mg/kg)

Total Petroleum Hydrocarbons

264

5.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Marathon Com #91.

Analysi

'Mustum Walten Review



EPA METHOD 418.1 TOTAL PETROLEUM HYROCARBONS QUALITY ASSURANCE REPORT

Client:

QA/QC QA/QC Project #:

N/A

Sample ID:

Date Reported:

03-05-09

Laboratory Number:

03-03-TPH.QA/QC 49158

Date Sampled:

N/A

Sample Matrix: Preservative:

Freon-113

Date Analyzed:

03-03-09

Condition:

N/A N/A

Date Extracted: Analysis Needed: 03-03-09 TPH

Calibration

I-Cal Date 02-13-09 C-Cal Date 03-03-09

I-Cal RF: 1,500

1,600

6.7%

C-Cal RF: % Difference Accept. Range +/- 10%

Blank Conc. (mg/Kg)

Concentration

Detection Limit

TPH

ND

21.6

Duplicate Conc. (mg/Kg)

Sample

Duplicate

% Difference

Accept, Range

TPH

228

276

21.1%

+/- 30%

Spike Conc. (mg/Kg) **TPH**

Sample 228

Spike Added | Spike Result | % Recovery 2,000

1,860

83.5%

Accept Range 80 - 120%

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

QA/QC for Samples 49158 - 49163.

Analyst



Chloride

Dugan Prod. Corp 06094-0003 Client: Project #: Sample ID: Marathon Com #91 Date Reported: 03-05-09 Lab ID#: 49160 Date Sampled: 02-27-09 Sample Matrix: Soil Date Received: 02-27-09 Preservative: Cool Date Analyzed: 03-03-09 Condition: Intact Chain of Custody: 6427

Parameter

Concentration (mg/Kg)

Total Chloride

120

Reference:

U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983. Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments:

Marathon Com #91.

Analyst

Review

CHAIN OF CUSTODY RECORD

6427

		Relinquished by: (Signature)	Relinquished by: (Signature)		Relinquished by: (Signature)														154	9	mark Co 2 po	Identification Date Time		Client Phone No.:	709 E- Morrey Dr	Client Address:	Desir Pod.	Cidir.
5796 U.S. Highway 64 •			(Soil	Soil Solid	Solid	Soil	Solid	Soil	Solid	Soil	Solid	Soil	Solid	Soil	Solid	Solid		10 Solid Solid	Lab No.	66090	Client No.:	Kortt	Sampler Name:	Marethon	Project Name / Location:
hway 64 • Far	ENVIRO			<u>&</u>	\dashv	Sludge Aqueous	Sludge Aqueous	Aqueous	Sludge	Aqueous	Sludge	Aqueous	Sludge	Aqueous	Sludge	Aqueous	Sludge	Sludge Aqueous	Aqueous			Matrix Cont	W _O	`	Egre hus		n Com 91	# Ł
Farmington, NM 87401 •	HOTTO	Received	Received	()A	Time Received															6,7	3	of Hya, Ha		~~~	N.	`		
7401 • -		Received by: (Signature)	Received by: (Signature)		Received by: (Signal] - -	<u> </u>	BTE		etho	d 80	21)		
<u>[e]</u> 5	*	ture)	ture)		ture)															1		voc				(0)		
05-63			_	7	-														-	+		RCR						
Tel 505-632-0615				7		<u>.</u>		ļ												+		RCI	711 / PA	HOI	-			N/
<u>Q</u>				7	-	•														+		TCLI	o with	า H/	P		<u> </u>	SISAL
					r																	PAH						ANALYSIS / PARAMETERS
																					<u> </u>	TPH	(418	3.1)				AMET
										-										†	<u></u>	CHL	ORIE	Œ			1 7	S H H
			•	22	Date																				~			
				0,	_															+	<	Sam	ple C	ool				
				6.12	Time																<	Sam	pie Ir	ntac	t			

WM of NM - San Juan County 78 County Road 3140 Aztec, NM, 87410 Ph: (505) 334-1121

Ticket# 1t

Customer Name DUGAN PRODUCTION DUGAN PRODUC Carrier DUGPRO DUGAN PRODUCTION CORP. Ticket Date 04/03/2009 Vehicle# XXX Volume Ticket Date 04/03/2009 Payment Type Credit Account Manual Ticket#

Hapling Ticket# Route State Waste Code

Manifest: Destination rofile. Generator

Container Driver Check#

Billing # 0000019 Gen EPA ID

Time Scale Operator In 04/03/2009 12:07:11 Inbound 301 MMORGAN Out 04/03/2009 12:23:04 Outbound 302 nbaca

Operator

Inbound Gross Tare Net Tons 10580 10020 560

omments

A MASTEMBRACEMENT

Product : LD% Oty UOM Rate Tax Amount MLY-MSW-Loose- Yds 100 5.00 Yards 4.21 1.30 121.05 SANJ

Kunt Fagilia Squew Valley 500 Dugan son Morothan Com #91

Original in Squam Valley #90 well file

Total Tax Total Ticket

Driver's Signature

Submit To Appropriate District Office			G		•					-			0.105			
Submit To Appropriate District Office Two Copies		E	State of Ne y, Minerals and										rm C-105 uly 17, 2008			
District I 1625 N. French Dr., Hobbs, NM 88240		Energ	ŀ	1. WELL API NO.												
District II 1301 W. Grand Avenue, Artesia, NM 88	3210		Oil Conserva	tion Di	vicio	nn		30-045-345	539							
District III 1000 Rio Brazos Rd., Aztec, NM 87410			1220 South S					2. Type of Lease ☐ FEE ☐ FED/INDIAN								
District IV 1220 S. St. Francis Dr., Santa Fe, NM 83			Santa Fe, N			,,,	ŀ	3. State Oil & Gas Lease No.								
								Indian Lease NOO-C-14-20-7309								
WELL COMPLETIC 4. Reason for filing:	ON OR F	RECOM	PLETION RE	PORT	ANL	LOG		5. Lease Nam								
, and the second								Marathon Co	m	Jiiit Agree	ment Nam		·			
COMPLETION REPORT (Fi	ill in boxes	#1 through #	31 for State and Fed	e wells onl	у)			6. Well Numb	er:							
C-144 CLOSURE ATTACHM #33; attach this and the plat to the C							l/or	91								
7. Type of Completion: ☑ NEW WELL ☐ WORK	KOVER 🗆	DEEPENIN	NG □PLUGBACI	K 🗆 DIF	FERE	NT RESERV	/OIR	OTHER_								
8. Name of Operator								9. OGRID								
Dugan Production Corp. 10. Address of Operator		•					-	006515 11. Pool name	or W	'ildcat						
•	27400 0420															
P. O. Box 420, Farmington, NM 8	tion	Township	Range	Lot		Feet from t	the	N/S Line	Feet	t from the	E/W Lin	ie	County			
Surface:							ı				<u> </u>					
BH:																
13. Date Spudded 14. Date T.D. I	Reached	15. Date	Rig Released 11/11/08	<u> </u>	16.	Date Comp	leted	(Ready to Prod	uce)		. Elevation Γ, GR, etc.		and RKB,			
18. Total Measured Depth of Well	tional	Survey Made?		21. Type	e Electric	and Oth	ner Logs Run									
22. Producing Interval(s), of this con	mpletion - 7	Γοp, Bottom,	, Name													
23.			ASING REC	ORD (ring	<u></u>	<u></u>							
CASING SIZE WE	IGHT LB./F	FT.	DEPTH SET		HC	LE SIZE		CEMENTIN	G RE	CORD	AMC	DUNT F	PULLED			
									٠_							
			INER RECORD				0.5		LIDD	VC DEC	200					
24. SIZE TOP	ВОТ	TOM	INER RECORD SACKS CEM	ENT SC	REEN	1	SIZ			NG RECO		PACKE	R SET			
26 P. f. di		-1)			1.00	ID CHOT	ED	CTUDE OF	L	m cour	- Par Da					
26. Perforation record (interval, si	ize, and nun	nber)				ID, SHOT, INTERVAL		ACTURE, CE AMO UN T A								
			· .	DDOD	TIO	DION										
28. Date First Production	Producti	ion Method	Flowing, gas lift, pi	PROD			1	Well Status	Pro	d or Shut-	inl					
Date I list I loudelloil	Trouden	ion ivicatou (r towing, gas tyt, pt	amping - D	12¢ a/11	a type pump)	,	Well Status	(1700	a. or phur-	ing					
Date of Test Hours Tested	Cho	ke Size	Prod'n For Test Period	Oi I	l - Bbl		Gas	- MCF	- W	ater - Bbl.		Gas - Oi	Il Ratio			
		1 . 101) (GP			J	Tana	· 157	/0	·			
Flow Tubing Casing Pressure Press.		culated 24- ir Rate	Oil - Bbl.		Gas -	- MCF	1	Water - Bbl.		Oil Grav	vity - API	- (Corr.	.)			
29. Disposition of Gas (Sold, used for	or fuel, vent	ed, etc.)							30. 7	Test Witne	ssed By	<u> </u>				
31. List Attachments											· · · · · · · · · · · · · · · · · · ·					
32. If a temporary pit was used at the	e well, attac	ch a plat with	the location of the	temporary	pit.											
33. If an on-site burial was used at the I hereby certify that the information of the state of t	he well, rep	ort the exact	location of the on-s	ite burial:	74	° N,	10	7.90620	w		NAD 10	27/(08	2)			
I hereby certify that the infor	mation sl	hown on b	oth sides of this	form is	true d	Longitude and compl	ete	to the best of	f my	knowlea	lge and b	belief	'/			
Signature Kurt Fa		lin	Printed Name Kurt I									J				
E-mail Address kfagrelius@	/	duction.cc	om													

District I 1625 N French Dr. Hobbs, NM 88240 Oistrict II 🔞 😘

1301 W. Grand Avenue, Artesia, NM 88210 Oistrict III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico E. .. gy. Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

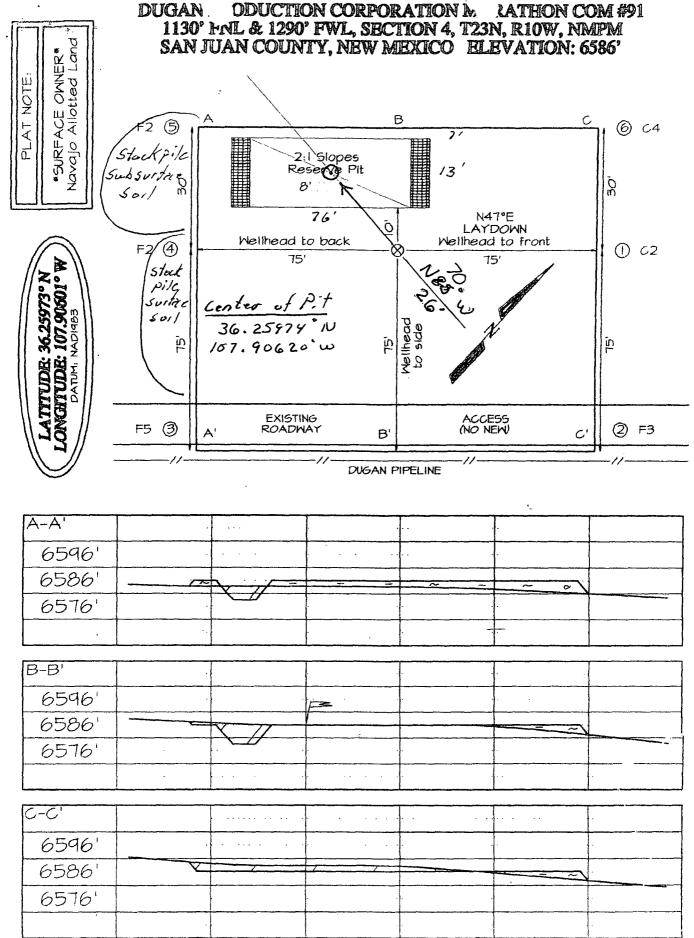
Form C-102 Revised October 12, 2005 Instructions on back Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

			WELL	LOCAT	ION AND	ACREAG	SE DED:	ICA ⁻	ΓΙΟΝ PL	_AT				
¹ Al	PI Number	r		*Pool Coo 71629	1		'Pool Name BASIN FRUITLAND COAL							
*Property	Code				•	erty Name HON COM			· · · · · · · · · · · · · · · · · · ·		Well Number 91			
Oper activities										levation 6586				
					¹⁰ Surfac	e Locat	ion							
UL or lot no.	Section	Township	Range	Lat Idn	Feet from th		South line	1 "	et from the	East/Was		County		
D	4	23N	10W		1130	NC	IRTH		1290	WES	T	SAN JUAN		
		11 Bo	ottom	Hole L	ocation	If Dif	ferent	Fro	om Surf	ace		<u></u>		
UL or lot no.	Section .	Township	Range	Lot fon	Feet from th	e North/	South line	Fee	it from the	East/Wesi	: line	County		
12 Dedicated Acres	320	.96 Acre	s - (N	/2)	¹³ Jount or Infil	1 ¹⁴ Consolid	etion Code	²⁵ Order	· No.	<u> </u>		4		
NO ALLOWA	ABLE W	ILL BE AS	SSIGNED NON-ST	TO TH	IS COMPLE UNIT HAS	TION UNT BEEN API	IL ALL PROVED	INTE	RESTS H	AVE BEE	EN CON	ISOL IDATED		
1318:68 . 1318:68 . 4 .	1130')T 3 25973 'N 7.90601 'W	45.68	L0T 2		LOT 1	1323.96	I hereby ce herein is to knowledge ar either owns mineral inte proposed bot to drill thi	rtify that rue and com nd belief, a a working rest in th ttom-hole l is well at ct with an interest, or a compuls	the info plete to nd that, interest e land i ocation (this loc owner of to a vi ory pool	FICATION rmation contained the best of my this organization or unlessed ncluding the action pursuant such a maneral oluntary pooling ing order sion.		
Pit Location NOO-C-14-20-7309 Dugan						14 -120 - 730 Dugan			Printed I	agreliu Name YOR C	ERTI	1/11/2008 Date FICATION		

and correct to the best of my belief. Survey Date: DECEMBER 19, 2007 Signature and Seal of Professional Surveyor SECH MEXICO SEM MEXTO 2628.78 AND ESSION 5254.92 Certificate Number 15269



Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction

