

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

30 045 32202

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Dugan Production Corp.	Contact Kelly Miller	
Address P. O. Box 420, Farmington NM 87499	Telephone No. 505-325-1821	
Facility Name Big Field #8	Facility Type	
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-10561

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	15	30N	14W	6660	SOUTH	790	WEST	San Juan

Latitude 36.80861 Longitude 108.30222

NATURE OF RELEASE

Type of Release water	Volume of Release 100 bbls	Volume Recovered 80 bbls
Source of Release pipeline	Date and Hour of Occurrence 9/3/06 12:00 p.m.	Date and Hour of Discovery 9/3/06 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? Brandon	
By Whom? Kelly Miller	Date and Hour 10:00 a.m. 9/6/06	
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.\*

Describe Cause of Problem and Remedial Action Taken.\*

Break in pipeline. Caused water to spill on soil and down arroyo. Remediated soil, vacuum truck to suck water back to disposal well, pearl gypsum grated into arroyo.

Describe Area Affected and Cleanup Action Taken.\*

Soil and arroyo. Remediated soil, vacuum truck to suck water back to disposal well. Pearl gypsum grated into arroyo.

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: Kelly Miller	OIL CONSERVATION DIVISION	
Printed Name: Kelly Miller	Approved by District Supervisor: Brandon Powell	For: Charlie Perrin
Title: Production Foreman	Approval Date: 9/11/06	Expiration Date:
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9/8/06	Phone: 325-1821	

\* Attach Additional Sheets If Necessary

nBP 0633253409

# ENVIROTECH INC.

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

December 4, 2006

Wayne Price and/or Brad Jones  
Environmental Bureau  
New Mexico Oil Conservation Division  
1220 S St Francis Drive  
Santa Fe, NM 87505

Dear Mr. Price and Mr. Jones:

At Brandon Powell's suggestion Envirotech is providing written notice of the actions taken concerning the Richardson Operating waste from the Fruitland Compressor Station.

On November 30, 2006 Brandon Powell of the New Mexico Oil Conservation Division (NMOCD) Aztec office directed Envirotech to segregate the Richardson Operating material that was denied acceptance by the Environmental Bureau. With NMOCD's verbal approval the material had been moved to the Landfarm and stabilized on November 17, 2006.

Upon receiving the denial from the Santa Fe office on November 30, 2006, Envirotech immediately located the material in the remediation unit and marked it for removal. On December 1, 2006 the material was moved to an isolated lined, bermed area. The material is available for sampling at your request. Upon completion of the transfer, we immediately notified Mr. Powell. Mr. Powell has documented this contaminated material with photos.

If you have additional questions feel free to contact me at 505-632-0615.

Thank you,  
Envirotech Inc



Denny Foust  
General Supervisor

April E Pohl  
Landfarm Administrator

DFG/aep/LF/98094-010/OCDletter.doc