

Tyra Feil

From: Eileen Yates
Sent: Tuesday, July 15, 2025 2:15 PM
To: Tyra Feil; Amber Baca
Subject: FW: [EXTERNAL] Application ID # 480844 - Incident # nAPP2518254345 - Corrective Action - Champ # 090

Hi Tyra,

Would you please submit a new initial C-141 for the Champ # 090 release at your earliest convenience.

Please include the following calculation information:

Initial Calculation Overview:

- Surface Area Impacted: 3,984.91 ft²
- Average Depth: 18 inches (1.5 ft)
- Initial Volume Calculation:

$$3,984.91 \text{ ft}^2 \times 1.5 \text{ ft} = 5,977.37 \text{ ft}^3$$

Converted to barrels:

$$5,977.37 \text{ ft}^3 \div 5.614 \text{ ft}^3/\text{bbl} \approx 1,065 \text{ bbls}$$

Revised Volume Calculation:

- Applying a correction factor of 0.25 to reflect the retention characteristics of sandy soil:

$$1,065 \text{ bbls} \times 0.25 = 266.25 \text{ bbls}$$

Also, if you would like to include any information from the initial email to Brittany, please feel free to do so. Unfortunately she did not

Kindest Regards,

Eileen Yates

Environmental, Health, and Safety Manager
Dugan Production Corp.
Phone | 505-787-9832
Email | Eileen.Yates@duganproduction.com



From: Hall, Brittany, EMNRD <Brittany.Hall@emnrd.nm.gov>

Date: Tuesday, July 15, 2025 at 8:12 AM

To: Eileen Yates <Eileen.Medrano@duganproduction.com>

Subject: Re: [EXTERNAL] Application ID # 480844 - Incident # nAPP2518254345 - Corrective Action - Champ # 090

Good morning Eileen,

I have reviewed the provided information and I believe this will be sufficient for the volume calculations. Please submit this information with the revised volume calculator in a new initial C-141 application.

Thank you,
Brittany

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From: Eileen Yates <Eileen.Medrano@duganproduction.com>

Sent: Monday, July 14, 2025 4:58:42 PM

To: Hall, Brittany, EMNRD <Brittany.Hall@emnrd.nm.gov>

Subject: [EXTERNAL] Application ID # 480844 - Incident # nAPP2518254345 - Corrective Action - Champ # 090

You don't often get email from eileen.medrano@duganproduction.com. [Learn why this is important](#)

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Good afternoon, Brittany,

Thank you for your review and feedback on the initial C-141 submittal for the release at Champ #90 (30-045-34219). We appreciate the opportunity to clarify the discrepancies in the reported volumes and submit the requested information.

Upon further review of the original calculation method, it was identified that the initial volume estimate was an overcalculation. The original method did not account for the soil-to-fluid conversion ratio.

Initial Calculation Overview:

- Surface Area Impacted: 3,984.91 ft²
- Average Depth: 18 inches (1.5 ft)
- Initial Volume Calculation:
 $3,984.91 \text{ ft}^2 \times 1.5 \text{ ft} = 5,977.37 \text{ ft}^3$
 $3,984.91 \text{ ft}^2 \times 1.5 \text{ ft} = 5,977.37 \text{ ft}^3$
 Converted to barrels:
 $5,977.37 \text{ ft}^3 \times 5.614 \text{ ft}^3/\text{bbl} \approx 1,065 \text{ bbls}$
 $5,977.37 \text{ ft}^3 \times 5.614 \text{ ft}^3/\text{bbl} \approx 1,065 \text{ bbls}$

Revised Volume Calculation:

- Applying a correction factor of 0.25 to reflect the retention characteristics of sandy soil:
 $1,065 \text{ bbls} \times 0.25 = 266.25 \text{ bbls}$
 $1,065 \text{ bbls} \times 0.25 = \text{266.25 bbls}$

The corrected estimated volume released/lost is approximately 266.2 bbls of produced water.

Thank you for your time and consideration. Please provide any feedback you may have and let me know if additional information is needed. With your agreement to proceed, I will include this data in the remediation report.

Thank you!

Kindest Regards,

Eileen Yates

Environmental, Health, and Safety Manager

Dugan Production Corp.

Phone | 505-787-9832

Email | Eileen.Yates@duganproduction.com



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Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 485291

QUESTIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 485291
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2518254345
Incident Name	NAPP2518254345 CHAMP #90 @ 30-045-34219
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Well	[30-045-34219] CHAMP #090

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	Champ #90
Date Release Discovered	06/30/2025
Surface Owner	Federal

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure Well Produced Water Released: 266 BBL Recovered: 0 BBL Lost: 266 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Not answered.

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QUESTIONS, Page 2

Action 485291

QUESTIONS (continued)

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 485291
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

I hereby agree and sign off to the above statement	Name: Tyra Feil Title: ENGINEERING ASSISTANT Email: Tyra.Feil@duganproduction.com Date: 07/15/2025
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QUESTIONS, Page 3

Action 485291

QUESTIONS (continued)

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	Action Number: 485291
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Site Characterization	
<i>Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
Requesting a remediation plan approval with this submission	No
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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CONDITIONS

Action 485291

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Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 485291
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

CONDITIONS

Created By	Condition	Condition Date
bhall	Initial C-141 approved. If additional information becomes available at a later date, volumes release must be updated during remediation plan or remediation closure report submittal. Corrected volume calculations will be required if volumes are adjusted at these times.	7/18/2025