

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

**RECEIVED**

By JKeyes at 12:38 pm, Apr 05, 2016

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

### Release Notification and Corrective Action

#### OPERATOR

Initial Report  Final Report

Name of Company Dugan Production	Contact John Alexander
Address PO Box 420, Farmington, NM 87499	Telephone No. 505-325-1821
Facility Name KM Chaveroo Tank Battery	Facility Type Tank Battery
Surface Owner Surface	Mineral Owner Dugan Production
Lease No. n/a	

#### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	2	8S	33E					Chaves

Latitude 33.651832 Longitude -103.540328

#### NATURE OF RELEASE

Type of Release oil	Volume of Release 7 bbls	Volume Recovered 0
Source of Release flow line leak	Date and Hour of Occurrence ?	Date and Hour of Discovery 3/28/2016 10 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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.\*

There were four oil stained areas observed. The largest area had grass removed from clean up of the previous spill. There was one recent spill that had drained out of an inactive line. The other two smaller stains were older and did not get cleaned up during the first remediation.

Describe Area Affected and Cleanup Action Taken.\*

All of the spills referenced will have the oil cleaned up and removed to an approved land fill. That work started today. We will notify you when the location is ready for your inspection.

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: John Alexander	Approved by District Supervisor: 	
Title: Vice President	Approval Date: 04/05/2016	Expiration Date: 06/05/2016
E-mail Address: john.alexander@duganproduction.com	Conditions of Approval: Discrete site samples only. Delineate and remediate per NMOCD guidelines.	Attached <input type="checkbox"/> IRP 4228
Date: 3/30/2016	Phone: 505-325-1821	

\* Attach Additional Sheets If Necessary

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