District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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 Page 1 of 13

Incident ID	NAPP2114763615
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: Strata Production Company	OGRID 21712
Contact Name: Matt Murphy	Contact Telephone 720-468-3646
Contact email: matt@stratanm.com	Incident # (assigned by OCD)
Contact mailing address: PO Box 1030	Roswell, NM 88202

Location of Release Source

Latitude 32.28591

Longitude <u>-103.86693</u> (NAD 83 in decimal degrees to 5 decimal places)

Site Name: Forty Niner Ridge Unit SWDSite Type: 6Date Release Discovered: 2/11/2017API# (if applicable) 30-015-33637

Unit Letter	Section	Township	Range	County
0	22	23S	30E	EDDY

Surface Owner: State Federal Tribal Private (Name:

Nature and Volume of Release

Materi	al(s) Released (Select all that apply and attach calculations or specif	ic justification for the volumes provided below)	
Crude Oil	Volume Released (bbls) < 2	Volume Recovered (bbls) 0	
Produced Water	Volume Released (bbls) < 2	Volume Recovered (bbls) 0	
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No	
Condensate	Volume Released (bbls)	Volume Recovered (bbls)	
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)	
Other (describe)	Volume/Weight Released (provide units) NA	Volume/Weight Recovered (provide units)	

Cause of Release: Cause of leak is undetermined.

Strata Production Company's management ("STRATA") became aware yesterday (05/26/2021 at 3:00 PM) that the NMOCD contends the spill was 31 barrels. Strata believes that the spill was less than 5 barrels; However, Strata is reporting based on the NMOCD's estimate. Strata plans to proceed with the required remediation as soon as practical.

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Was this a major	If YES, for what reason(s) does the responsible party consider this a major release?
release as defined by	
19.15.29.7(A) NMAC?	
🗌 Yes 🖾 No	
If YES, was immediate no	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
,	
1	

Initial Response

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

 \square The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

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

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.

Printed Name: <u>Matt Murphy</u>	Title: <u>Operations Manager</u>
Signature: <u>Matt Murphy</u>	Date: <u>05/27/2021</u>
email: <u>matt@stratanm.com</u>	Telephone: <u>720-468-3646</u>
OCD Only	
Received by: Ramona Marcus	Date: <u>5/28/2021</u>

Received by OCD: 5/27/2021 6:09:58 PM Form C-141 State of New Mexico

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Incident ID	NAPP2114763615
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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release? None known in immediate area	<u>None</u> (ft bgs)
Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	Yes No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🛛 No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	🗌 Yes 🛛 No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	🗌 Yes 🛛 No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	Yes No
Are the lateral extents of the release within 300 feet of a wetland?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying a subsurface mine?	$\Box Yes \boxtimes No$
Are the lateral extents of the release overlying an unstable area such as karst geology?	
Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🛛 No
Did the release impact areas not on an exploration, development, production, or storage site?	☐ Yes ⊠ No ☐ Yes ⊠ No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: Each of the following items must be included in the report.
Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
Field data
Data table of soil contaminant concentration data
Depth to water determination
Determination of water sources and significant watercourses within ¹ / ₂ -mile of the lateral extents of the release
Boring or excavation logs
Photographs including date and GIS information
Topographic/Aerial maps
Laboratory data including chain of custody
NOTE: The above items (if applicable) will be provided after reclamation process is completed. An amended C-141 will be filed if
required.

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Received by OCD: 5/27/2021 6:09: Form C-141 Page 4	O:58 PM State of New Mexico Oil Conservation Division		Incident ID District RP Facility ID Application ID	Page 4 of 13 NAPP2114763615
regulations all operators are required t public health or the environment. The failed to adequately investigate and re	iven above is true and complete to the best of to report and/or file certain release notification e acceptance of a C-141 report by the OCD do mediate contamination that pose a threat to gr report does not relieve the operator of respon	ns and perform cor s not relieve the coundwater, surfac	rective actions for rele operator of liability sho e water, human health	eases which may endanger ould their operations have or the environment. In
Printed Name: <u>Shammy Dennis</u>	Title: _ <u>A</u>	Administrative Su	ipport	
Signature: Shammy Denn	ús Date:	05/27/2021		
email: <u>sdennis@stratanm.com</u> Telephone: <u>_575-62</u> .		ne: <u>575-622-11</u>	27 ext. 13	
OCD Only Received by: <u>Ramona Mare</u>	cus	Date: <u>5/28/</u>	2021	

Received by OCD: 5/27/2021 6:09:58 PM Form C-141 State of New Mexico

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Remediation Plan

<u>Remediation Plan Checklist</u>: Each of the following items must be included in the plan.

Detailed description of proposed remediation technique

Scaled sitemap with GPS coordinates showing delineation points

Estimated volume of material to be remediated

Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC

Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required) NOTE: The above items (if applicable) will be provided after reclamation process is completed. An amended C-141 will be filed if required.

Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.

Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction. N/A

Extents of contamination must be fully delineated.: Extent will be determined during remediation process.

Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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. Printed Name: Matt Murphy Title: Operations Manager Signature: Matt Murphy Date: <u>5/27/2021</u> email: matt@stratanm.com____ Telephone: 720-468-3646 **OCD Only** Ramona Marcus Date: <u>5/28/2021</u> Received by: Deferral Approved Approved Approved with Attached Conditions of Approval Denied

Signature: Date:

Released to Imaging: 7/21/2021 10:45:21 AM

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Oil Conservation Division

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Di	strict RP		
Fa	cility ID		
Ap	plication ID		

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

<u>Closure Report Attachment Checklist</u>: Each of the following items m	nust be included in the closure report.
A scaled site and sampling diagram as described in 19.15.29.11 NMA	AC
Photographs of the remediated site prior to backfill or photos of the must be notified 2 days prior to liner inspection)	liner integrity if applicable (Note: appropriate OCD District office
Laboratory analyses of final sampling (Note: appropriate ODC Distri	ict office must be notified 2 days prior to final sampling)
Description of remediation activities NOTE: The above items (if applicable) will be provided after reclam required.	ation process is completed. An amended C-141 will be filed if
I hereby certify that the information given above is true and complete to the and regulations all operators are required to report and/or file certain release may endanger public health or the environment. The acceptance of a C-14 should their operations have failed to adequately investigate and remediate human health or the environment. In addition, OCD acceptance of a C-14 compliance with any other federal, state, or local laws and/or regulations. restore, reclaim, and re-vegetate the impacted surface area to the condition accordance with 19.15.29.13 NMAC including notification to the OCD when	se notifications and perform corrective actions for releases which I report by the OCD does not relieve the operator of liability contamination that pose a threat to groundwater, surface water, I report does not relieve the operator of responsibility for The responsible party acknowledges they must substantially us that existed prior to the release or their final land use in
Printed Name: <u>Shammy Dennis</u>	_ Title: _Administrative Support
Signature: <u>Shammy Dennís</u>	Date: <u>5/27/2021</u>
email: <u>_sdennis@stratanm.com</u>	Telephone: <u>575-622-1127 ext. 13</u>
OCD Only	
Received by: <u>Ramona Marcus</u>	Date: <u>5/28/2021</u>
Closure approval by the OCD does not relieve the responsible party of liable remediate contamination that poses a threat to groundwater, surface water, h party of compliance with any other federal, state, or local laws and/or regu	human health, or the environment nor does not relieve the responsible
Closure Approved by:	Date:
Printed Name:	Title:

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, NM 87505

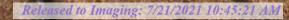
Responsible Party: Strata Production Company	OGRID: 21712	
Contact Name: Matt Murphy	Contact Telephone: 720-468-3646	
Contact email: matt@stratanm.com	Incident # (assigned by OCD)	
Contact mailing address: PO Box 1030, Roswell, NM 88202		

Site Name: Forty Niner Ridge Unit #6	Site Type: SWD
Date Release Discovered: Prior to 02/11/2017 (Per NMOCD)	API# (if applicable) 30-015-33637

Unit Letter	Section	Township	Range	County
0	22	238	30E	Eddy

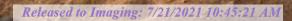
REMEDIATION WORK AND CLOSURE - NAPP2114763615

Remediation was previously conducted on 6/2/21 by ACD Oilfield Services and by J&R Roustabout. All contaminated soil and gravel was removed and hauled to R360 disposal facility. Released materials have been contained via the use of berms or dikes, absorbent pads, and/or other containment devices. The impacted area has been secured to protect human health and the environment Per OCD requirements.



State State





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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

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

CONDITIONS

Operator:	OGRID:
STRATA PRODUCTION CO	21712
P.O. Box 1030	Action Number:
Roswell, NM 882021030	29849
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By Condition		Condition Date
chensley Release is u	under 5bbls. Release has been remediated.	7/21/2021

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Action 29849