

RECEIVED**By OCD District 1 at 2:56 pm, Aug 27, 2015**

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

Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action**OPERATOR**☒ Initial Report ☐ Final Report

Name of Company STRATA PRODUCTION COMPANY	Contact PAUL RAGSDALE	
Address PO BOX 1020 ROSWELL, NM 88202	Telephone No. 575-622-1127 EXT 18	
Facility Name PALOMA STATE #1	Facility Type OIL WELL	
Surface Owner NM STATE LANDS	Mineral Owner NM	API No. 30-025-31153

LOCATION OF RELEASE

Unit Letter O	Section 36	Township 18S	Range 32E	Feet from the 330	North/South Line SOUTH	Feet from the 1650	East/West Line EAST	County LEA
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release LIGHTNING STRIKE	Volume of Release 110	Volume Recovered 0
Source of Release TANK BATTERY	Date and Hour of Occurrence UNKNOWN	Date and Hour of Discovery NOON 08/25/15
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? MARK WHITAKER NMOCD	
By Whom? PAUL RAGSDALE	Date and Hour NOON 08/25/15	
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.*

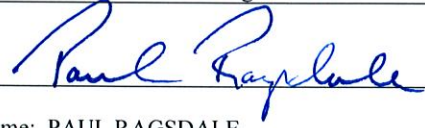

LIGHTNING STRUCK THE TANK BATTERY AND A FIRE RESULTED. MOST OF THE OIL BURNED BUT SOME IS ON THE LOCATION AND SURROUNDING AREA.

APPROVED**By OCD District 1 at 2:56 pm, Aug 27, 2015**

Describe Area Affected and Cleanup Action Taken.*

THE TANKS AND STAIRWAY WAS DESTROYED. THE LOCATION AND SURROUNDING AREA HAS OIL ON IT. A BACK HOE WAS USED TO DRAG THE LOCATION AND STOCKPILE THE OILY DIRT. THE BACK HOE COVERED UP SOME OF THE OIL OFF OF LOCATION WITH SAND THAT HAD BEEN STOCK PILED PREVIOUSLY. A REMEDIATION EXPERT WILL BE ON LOCATION NEXT WEEK TO DEVELOP A REMEDIATION PLAN.

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: 	OIL CONSERVATION DIVISION	
Printed Name: PAUL RAGSDALE	Approved by Environmental Specialist: 	
Title: OPERATIONS MANAGER	Approval Date: 08/27/2015	Expiration Date: 10/27/2015
E-mail Address: pragsdale@stratanm.com	Conditions of Approval: Discrete site samples required. Delineate and remediate per NMOCD guidelines.	
Date: 08/26/2015 Phone: 575-622-1127 x 18	Attached <input type="checkbox"/> 1RP-3820	

* Attach Additional Sheets If Necessary

Geotagged photos of remediation required.

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nJXX1523953591