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

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Incident ID	NJXK1523953591
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Strata Production Co	OGRID 21712	
Contact Name Jerry Elgin	Contact Telephone (575) 622-1127	
Contact email jelgin@stratanm.com	Incident # (assigned by OCD)	
Contact mailing address P. O. Box 1030, Roswell, NM 88202-1030		

Location of Release Source

Latitude 32.6974678

-103.716568

(NAD 83 in decimal degrees to 5 decimal places)

Site Name Paloma State #1	Site Type Production
Date Release Discovered 8/25/2015	API# (<i>if applicable</i>) 30-025-31153

Unit Letter	Section	Township	Range	County
0	36	18S	32E	Lea

Surface Owner: X State Federal Tribal Private (Name: _

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 110	Volume Recovered (bbls) 0
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes X No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

Lightning struck tank battery igniting the tanks.

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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?	The volume of the spill exceeded 25 bbls		
X Yes 🗌 No			
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?			
Notice given to Tor	Notice given to Tomas Oberding by Paul Ragsdale		
3			

Initial Response

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

X The source of the release has been stopped.

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

X 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:	Title: Vice President Operations
Signature:	Date:
email:jelgin@stratanm.com	Telephone: (575) 622-1127
OCD Only	
Received by: Jocelyn Harimon	Date: 07/22/2022

Received by OCD: 7/22/2022 2:43:59 PM Form C-141 State of New Mexico

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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?	(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?	🗌 Yes 🗶 No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🗌 Yes 🙀 No
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

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
- X Laboratory data including chain of custody

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.

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			Facility ID	
			Application ID	
regulations all operators are r public health or the environm failed to adequately investiga addition, OCD acceptance of and/or regulations. Printed Name: Jerry Elg		otifications and perform co OCD does not relieve the reat to groundwater, surfa of responsibility for comp 	orrective actions for rele e operator of liability shace water, human health liance with any other fea ident Operations	eases which may endanger ould their operations have or the environment. In deral, state, or local laws
OCD Only				
Received by:		Date:		

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Remediation Plan

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

X Detailed description of proposed remediation technique

Scaled sitemap with GPS coordinates showing delineation points

Estimated volume of material to be remediated

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

X Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is 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 pr deconstruction.	roduction equipment where remediation could cause a major facility	
Extents of contamination must be fully delineated.		
Contamination does not cause an imminent risk to human health	n, the environment, or groundwater.	
	e and remediate contamination that pose a threat to groundwater, acceptance of a C-141 report does not relieve the operator of	
Printed Name: Jerry Elgin	Title: Vice President Operations	
Signature:		
_{email:} jelgin@stratanm.com	Telephone: (575) 622-1127	
OCD Only		
Received by:	Date:	
Approved Approved with Attached Conditions of	Approval Denied Deferral Approved	
Signature:	Date:	

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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 must be included in the closure report.

X A scaled site and sampling diagram as described in 19.15.29.11 NMAC

Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Jerry Elgin	Title:		
Signature:	Date: 07/15/2022		
email:jelgin@stratanm.com	Telephone: (575) 622-1127		
OCD Only			
Received by:	Date:		
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.			
Closure Approved by:	Date:		
Printed Name:			

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	128156
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
jharimon	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C- 141	7/22/2022

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Action 128156