

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
OCT 13 2009
HOBBSOCD

Form C-141
Revised October 10, 2003

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	STRATA PRODUCTION COMPANY	Contact	FRANK S. MORGAN
Address	PO BOX 1030, ROSWELL, NM 88202-1030	Telephone No.	622-1127 EXT 13
Facility Name	CLEARY ST #1	Facility Type	SWD

Surface Owner	STATE	Mineral Owner		Lease No.	V-1618
---------------	-------	---------------	--	-----------	--------

LOCATION OF RELEASE

API # 30-025-24540-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	32	20S	33E	990'	SOUTH	1980'	WEST	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	PRODUCED WATER	Volume of Release	100 BBLs	Volume Recovered	50 BBLs
Source of Release	DISPOSAL WELL	Date and Hour of Occurrence	Date and Hour of Discovery		
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	BUDDY HILL OCD HOBBS		
By Whom?	FRANK S. MORGAN	Date and Hour	SEPTEMBER 23, 2009 @ 3:45 PM		
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.*

GW @ 190'

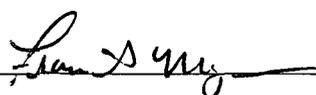
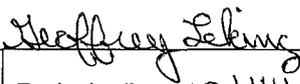
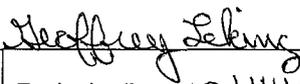
Describe Cause of Problem and Remedial Action Taken.*

FOUND HOLE IN CASING 4' BELOW SURFACE. SHUT IN FACILITY. CALLED VAC. TRUCK W/ BACK HOE AND GANG. SET FRAC TANK TO CAPTURE WATER. CLEANED LOCATION. PICK UP CONTAMINATED SOILS. MEET WITH OCD AND ENVIRONMENTAL AGENT.

Describe Area Affected and Cleanup Action Taken.*

CLICHE LOCATION WITH PASTURE. REMOVE CONTAMINATED SOILS. HAVE SOIL SAMPLES TAKEN. RECLAIM IMPACTED AREA.

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: FRANK S. MORGAN	Approved by: ENV. ENGINEER 	District Supervisor: 
Title: VICE PRESIDENT	Approval Date: 10/14/09	Expiration Date: 12/14/09
E-mail Address: fmorgan@stratanm.com	Conditions of Approval: DELINEATE TO CLEAN +1, SUBMIT FINAL C-141 BY 12/14/09.	Attached <input type="checkbox"/>
Date: 10-7-09 Phone: 622-1127 ext. 13	IRP-09-11-2325	

Attach Additional Sheets If Necessary

FGRL 0930851391