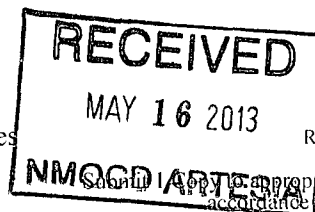


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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



Form C-141
Revised October 10, 2003

Release Notification and Corrective Action

JMW 1314049143

OPERATOR

☒ Initial Report ☐ Final Report

| | |
|---|-----------------------------|
| Name of Company: Linn Operating | Contact: Joe Hernandez |
| Address: 2130 W. Bender Hobbs, NM 88240 | Telephone No.: 575-738-1739 |
| Facility Name: Skelly B Battery - Skelly B #130 | Facility Type: Battery |

| | | |
|------------------------|------------------------|---------------------|
| Surface Owner: Federal | Mineral Owner: Federal | API No.: 3001522264 |
|------------------------|------------------------|---------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| A | 28 | 17S | 31E | 760 | North | 760 | East | Eddy |

Latitude: 32.8107427535314 Longitude: -103.868574652603

NATURE OF RELEASE

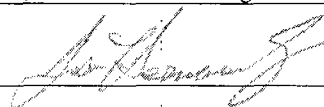
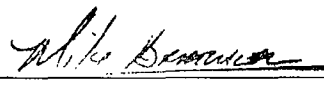
| | | |
|--|--|---|
| Type of Release: Produced Water | Volume of Release: 320bbbls | Volume Recovered: 195 bbls |
| Source of Release: 1/2" nipple on filter | Date and Hour of Occurrence: 05/15/2013 7:15am | Date and Hour of Discovery: 05/15/2013 7:15am |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? M. Bratcher- NM OCD Mike Burton- BLM | |
| By Whom? Gary Wink | Date and Hour 05/15/2013 3:38pm | |
| 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.*: Drove up to location at about 7:15 am and found a busted 1/2 inch nipple leaking from filter on transfer pumps.

Describe Area Affected and Cleanup Action Taken.* : Water ran from pumps going north about 30 foot on lease road turned east about 260 x 30 foot area on the lease road. All fluids stayed on lease roads around battery. Closest well to compacted area is Skelly B #130. Called Lamina trucking and Double R Trucking to pick up water on ground and called BSG roustabout to fix leak. Both trucks picked up 195 barrels total off the ground. My cost for today picking up the water is about 300 dollars.

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: Joe Hernandez | Approved by District Supervisor:  | Signed By |
| Title: Production Foreman | Approval Date: MAY 20 2013 | Expiration Date: |
| E-mail Address: jhernandez@linenergy.com | Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: | Attached <input type="checkbox"/> |
| Date: 05/16/2013 Phone: 575-942-9492 | | |

* Attach Additional Sheets If Necessary

2RP-1655
JUNE 20, 2013

Bratcher, Mike, EMNRD

From: Theresa McCracken <TMcCracken@linnenergy.com>
Sent: Thursday, May 16, 2013 8:16 AM
To: mburton@blm.gov; Bratcher, Mike, EMNRD
Cc: Terry Callahan; Chris Golding; Thomas Butters; Ron Ragland; Joe Hernandez; Gary Wink
Subject: Linn- Skelly B Battery
Attachments: Skelly B Battery 5-15-13.pdf



Please find attached the initial C-141 for the above referenced location.

Thank you,



Theresa McCracken

Field Administrator

LINN Energy, LLC

2130 W Bender

Hobbs, NM 88240

T: 575-738-1739 / F: 575-738-1740

tmccracken@linnenergy.com

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