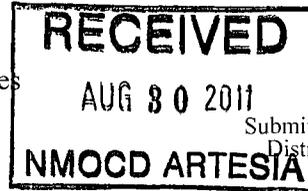


District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

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  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

**Release Notification and Corrective Action**

nMLB1125535532

**OPERATOR**

Initial Report  Final Report

Name of Company: Linn Energy <i>269324</i>	Contact: Jose Hernandez
Address: 2130 W. Bender	Telephone No.: 575-738-1739
Facility Name: Skally Unit Water Injection Plant	Facility Type: Injection Plant

Surface Owner:	Mineral Owner: Linn Energy	Lease No.: <i>30-015-05343</i>
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**LOCATION OF RELEASE**

*Skally Ut #41*

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	22	17S	31E					EDDY

Latitude: 32 49' 32.15 Longitude: -103 50' 54.86  
*32.8256 103.8486*

**NATURE OF RELEASE**

Type of Release: PRODUCED WATER/OIL	Volume of Release: 127/3 BBLS	Volume Recovered: 19/1 BBLS
Source of Release: 2" NIPPLE WASH OUT/ RUSTED OUT	Date and Hour of Occurrence: 8-28-2011 2:30a.m.	Date and Hour of Discovery: 8-28-2011 3:15a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? CALL 8:20 TGregston BLM, 8:27 MBratcher OCD 6.04 DFrick LINN ?	
By Whom? Jose L. Hernandez	Date and Hour: 6:04-8:27	
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.\*: Received call from Adan Ornales 2" nipple on filter pot washed out from corrosion.

Describe Area Affected and Cleanup Action Taken.\* : About 120' E on lease road wide point 39' narrow point 2' off lease road on to pasture about 228' wide point 30' narrow point 1'. To the SE about 273' wide point 30' narrow point 2'. Met w/BLM 08/29/11. Corrective action pending BLM Investigation results.

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: <i>[Signature]</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Jose L. Hernandez	Signed By <i>[Signature]</i> Approved by District Supervisor:	
Title: Foreman I	SEP 12 2011 Approval Date:	Expiration Date:
E-mail Address: jhernandez@linenergy.com Date: 8-28-2011 Phone: 575-942-9492	Conditions of Approval: Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:</b> <u>10/12/2011</u>	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

*2RP-888*

## Bratcher, Mike, EMNRD

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**From:** Joe Hernandez [JHernandez@linenergy.com]  
**Sent:** Tuesday, August 30, 2011 11:57 AM  
**To:** Terry Gregston (tgregsto@blm.gov); Bratcher, Mike, EMNRD; Daniel Fraker  
**Cc:** Allan Rambur; Ron Ragland; David Gonzales  
**Attachments:** Skally Unit Injection 8-27-2011.docx

If there is something I missed please let me know. Thanks Joe