

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
SEP 29 2011
NMOCD ARTESIA

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

nmlb1128647110 OPERATOR Initial Report Final Report

Name of Company: LINN Energy <i>269324</i>	Contact: Joe Hernandez
Address: 2130 W Bender Blvd. - Hobbs, NM	Telephone No.: 575-942-8675
Facility Name: Skelly B South Unit #274 Tank Battery	Facility Type: Oil & Gas Production Tank Battery
Surface Owner: BLM	Mineral Owner: BLM
Lease No.: 3001529210	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	28	17S	31E	1143	N	1462	E	Eddy

Latitude: 32.810790 Longitude: -103.79593

NATURE OF RELEASE

Type of Release: Oil/Produced Water	Volume of Release: 45	Volume Recovered: 40
Source of Release: Failure of circulating Line	Date and Hour of Occurrence: 09/25/11	Date and Hour of Discovery: 09/25/11
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? T Gregston, BLM, M Bratcher, NMOCD	
By Whom? Fred Holmes	Date and Hour: 09/26/11 - 0900	
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.*: Corrosion to circulating line caused failure of the line. Systems was shut in and line repaired with clamp pending additional repairs.		
Describe Area Affected and Cleanup Action Taken.* : Spill is approximately 180' long varying in width from 2-10'. Pooled as well in two areas on the lease road. All of the release stayed on the lease road, did not impact pasture area. Corrective action plan attached.		
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>Joe Hernandez</i>	OIL CONSERVATION DIVISION	
Printed Name: Jose Hernandez	Signed By <i>Mike Bratcher</i> Approved by District Supervisor:	
Title: Foreman	Approval Date: OCT 13 2011	Expiration Date:
E-mail Address: jhernandez@linneenergy.com Date: 09/29/11 Phone: 575-738-1739	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 11/13/2011**

2RP-914