

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
MAY 22 2012
NMOCD ARTESIA

Form C-141
Revised October 10, 2003
Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC

Release Notification and Corrective Action

NMLB 1215853411 OPERATOR Initial Report Final Report

Name of Company: Linn Operating <i>269324</i>	Contact: Joe Hernandez
Address: 2130 W. Bender Hobbs, NM 88240	Telephone No.: 575-738-1739
Facility Name: Skelly Satellite #3 / Skelly #65	Facility Type: Satellite
Surface Owner: Federal	Mineral Owner: Federal
API No.: 3001505342	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	21	17S	31E	2080	North	1980	East	Eddy

Latitude: 32N 49' 17" / pulled 32N 49' 16.8" Longitude: 103W 52' 21.9" / 103W 52' 23.1"

NATURE OF RELEASE

Type of Release: Oil / Produced Water	Volume of Release: 30 / 25	Volume Recovered: 22 / 18
Source of Release: Steel pipeline	Date and Hour of Occurrence: 05/19/2012 8:30am	Date and Hour of Discovery: 05/19/2012 9am
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 / Terry Gregston - BLM	
By Whom? Joe Hernandez	Date and Hour 5/21/2012 8am	
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.*: Compressor went down on reset which caused the separator to fill up. The fluid had no where to go and with the compressor not getting rid of the gas the header pressured up and found a weak point on a repair clamp that was on a t.a. line on the header. Fluid started coming out of repair clamp.

Describe Area Affected and Cleanup Action Taken.* : Recovered 40 bbls. Further remedial action pending. .

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: Joe Hernandez	Signed By <i>M. Bratcher</i> Approved by District Supervisor.	
Title: Production Foreman	Approval Date: JUN 06 2012	Expiration Date:
E-mail Address: jhernandez@linenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 05/22/2012 Phone: 575-942-9492		

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 7/6/2012**

2RP-1154

Bratcher, Mike, EMNRD

From: Theresa McCracken [TMcCracken@linnenergy.com]
Sent: Tuesday, May 22, 2012 8:00 AM
To: Bratcher, Mike, EMNRD; Terry Gregston (tgregsto@blm.gov)
Cc: Daniel Frick; Ron Ragland
Subject: Linn- Skelly Sat. #3 Initial C-141
Attachments: Skelly Sat # 3 .pdf

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

Thank you,



Theresa McCracken

2130 W Bender
Hobbs, NM 88240
T: 575-7381-739 / F: 575-738-1740
tmccracken@linnenergy.com