

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 JUN 04 2014
Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Linn Operating, Inc.	Contact: Brian Wall
Address: 2130 W. Bender Hobbs, NM 88240	Telephone No. 575-738-1739
Facility Name: Skelly #158	Facility Type: Injection

Surface Owner Federal	Mineral Owner Federal	API No. 30-015-25040
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from	East/West Line	County Eddy
P	22	17S	31E	540	South	660	East	

Latitude 32.8143354492773 Longitude -103.851064335554

NATURE OF RELEASE

Type of Release: Produced water/oil	Volume of Release 10 bbls/2bbl	Volume Recovered 0/0
Source of Release: 1" steel underground steel bull plug	Date and Hour of Occurrence 09/04/2013 7:00 AM	Date and Hour of Discovery 09/04/2013 7:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher NMOCD - Mike Burton BLM	
By Whom? Brian Wall	Date and Hour: 09/06/2013	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 04 2014

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If a Watercourse was Impacted, Describe Fully.*
NA

Describe Cause of Problem and Remedial Action Taken.*
Upon approaching The Skelly B #158 at approximately 7:00 AM I noticed water spraying out of the ground and drove to the area and found a plugged injection well #58 leaking. So I drove to the header and closed the valve to prevent further leakage. This line was shut in at the Skelly injection well #84 also. Lost approximately 10 to 15 barrels of produced water and 2 barrels of oil. I notified Stephen with DFSI to place an emergency one call in order to excavate the line and have a roustabout cap the line immediately.

Describe Area Affected and Cleanup Action Taken.*
The largest impacted area was misted pasture and measured approximately 116'X70' The spill traversed downhill to an area that measured approximately 356'X2' wide. DFSI was retained to remediate the area and remove all impacted soils to an NMOCD approved facility. The area was re-seeded and restored to its natural state per BLM guidelines.

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>Fred B Wall</i>	OIL CONSERVATION DIVISION	
Printed Name: Brian Wall	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: Construction Foreman II	Approval Date: <i>6/9/14</i>	Expiration Date: <i>NA</i>
E-mail Address: bwall@linenergy.com	Conditions of Approval: <i>Final</i>	Attached <input type="checkbox"/>
Date: 04/30/2014 Phone: 806-367-0645		

* Attach Additional Sheets If Necessary