

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
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

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|---|----------------------------|
| Name of Company Linn Operating | Contact Brian Wall |
| Address 2130 W. Bender, Hobbs, NM 88240 | Telephone No. 575-738-1739 |
| Facility Name H E West B 37 | Facility Type Injection |
| Surface Owner Federal | Mineral Owner |
| API No. 30-015-26000 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| J | 03 | 17S | 31E | 1980 | South | 1980 | East | Eddy |

Latitude 32.86183 Longitude -103.85467

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release Produced Water | Volume of Release 10 bbls | Volume Recovered 0 |
| Source of Release Valve | Date and Hour of Occurrence 01/09/2014 | Date and Hour of Discovery 01/09/2014 4:00 pm |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Burton-BLM | |
| By Whom? Brian Wall | Date and Hour 1/10/14 | |
| 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.* Found that headers #1 and 2 at water station had been shut in at water station at about 8:00am, due to loss of pressure. Isolated lateral lines off of injection trunk line and began opening lines one at a time to find area leak would be in. Once finding which line was causing loss of pressure, used roustabout crew to walk out lines in attempt to find location of leak. Found leak at approx 4:00 pm on the location of the West B #37 injection well. Discovered that cow had rubbed against the well head accidentally pushing open a valve and releasing produced water at pressure.

Describe Area Affected and Cleanup Action Taken.* A total of 7,188 square feet of lease pad and pasture land was affected. RECS personnel were on site beginning on January 15th, 2014 to assess the release. Four points within the release were sampled at the surface and with depth. Representative samples were taken to a commercial laboratory for analysis. Point 1 returned a laboratory chloride value below regulatory standards at 1.5 ft bgs. Point 2, Point 3 and Point 4 returned a laboratory chloride values below regulatory standards at 6 inches. Gasoline Range Organics (GRO) readings, Diesel Range Organics (DRO) readings and BTEX readings were all below regulatory standards at all sampling points. A Corrective Action Plan (CAP) was submitted to NMOCD and BLM on February 4th, 2014. BLM approved the CAP on February 12th, 2014, with the stipulation that a liner did not need to be installed at the site. NMOCD approved the CAP on February 13th, 2014. CAP work began at the site on January 30th, 2014. The release area was scraped in three parts: the south scrape, the northeast scrape and the 1.5 ft scrape. A total of 312 yards of excavated soil from the three scrapes was taken to a NMOCD approved facility for disposal. At the base of each scrape, a 5 point bottom composite was taken and sent to a commercial laboratory for analysis. The 5 point composites of the south scrape, northeast scrape and 1.5 ft scrape returned laboratory chloride values of 32 mg/kg, non-detect and 272 mg/kg, respectively. GRO, DRO and BTEX from all three scrapes returned values of non-detect. A total of 363 yards of caliche and 39 yards of top soil were imported to the site to serve as backfill. A sample of the caliche and top soil were taken to a commercial laboratory for analysis. Both samples returned laboratory chloride results of non-detect. On February 14th, 2014, BLM gave permission to backfill the site. The lease pad was backfilled with the imported caliche and the pasture area was backfilled with the top soil. The backfilled areas were then contoured to the surrounding location. On February 24th, 2014, soil amendments were added to the pasture area and the area was seeded with BLM mix #2 and #4.

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.

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|-------------------------------------|--|-----------------------------------|
| Signature: <i>Fred B Wall</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Brian Wall | Approved by Environmental Specialist: <i>Hul</i> | |
| Title: Construction Foreman II | Approval Date: <i>3/20/15</i> | Expiration Date: <i>N/A</i> |
| E-mail Address: Bwall@linenergy.com | Conditions of Approval: <i>Final</i> | Attached <input type="checkbox"/> |
| Date: 3-14-14 | Phone: 575-738-1739 | |

* Attach Additional Sheets If Necessary

2RP-2150