

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**  
MAR 31 2011  
NMOCD ARTESIA

Form C-141  
Revised October 10, 2003

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

**Release Notification and Corrective Action**

*nkmw 1109554591*

**OPERATOR**

X Initial Report  Final Report

|   |                            |
|---|----------------------------|
| Name of Company Linn Energy             | Contact Dennis Potter      |
| Address PO Box 69, Loco Hills, NM 88255 | Telephone No. 575 677 2327 |
| Facility Name Turner B #118             | Facility Type Oil Well     |

|                   |                   |   |
|-------------------|-------------------|---|
| Surface Owner BLM | Mineral Owner BLM | Lease No. NMLC029395B<br>API 30-015-28920 |
|-------------------|-------------------|---|

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| M           | 20      | 17S      | 31E   |               |                  |               |                | Eddy   |

Latitude N32.8156 Longitude W103.9009 (Middle of Release Site)

**NATURE OF RELEASE**

|  |  |                                   |
|--|--|-----------------------------------|
| Type of Release Produced Water/Hydrocarbons  | Volume of Release Unknown                        | Volume Recovered Unknown          |
| Source of Release Well Head/Stuffing Box   | Date and Hour of Occurrence Unknown              | Date and Hour of Discovery Feb 11 |
| Was Immediate Notice Given?<br><input type="checkbox"/> Yes X No <input type="checkbox"/> Not Required | If YES, To Whom?<br>N/A                          |                                   |
| By Whom? N/A   | Date and Hour N/A                                |                                   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes X No  | If YES, Volume Impacting the Watercourse.<br>N/A |                                   |

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*  
A release from the well head/stuffing box caused a release of fluid to leave the location and enter the pasture on the south side of the location and onto the lease road to the south/southwest of the location. The affected area is approximately 3' x 150' in each the pasture and the lease road. The affected area shows signs that remedial action had been taken, but not completed. The affected areas will be remediated and a work plan submitted to NM OCD and BLM for review and approval.

Describe Area Affected and Cleanup Action Taken.\*

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>Dennis Potter</i>       | <b>OIL CONSERVATION DIVISION</b>   |                  |
| Printed Name: Dennis Potter           | Approved by District Supervisor: <i>Mike Brannon</i>   |                  |
| Title: Assistant Production Foreman   | Approval Date: <i>4/5/11</i>   | Expiration Date: |
| E-mail Address: dpotter@linenergy.com | Conditions of Approval: Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:</b> |                  |
| Date: Phone: 505206 7673              | Attached <input type="checkbox"/>  |                  |

\* Attach Additional Sheets If Necessary

**5/5/11**

*2 RP-710*

# OPERATOR'S COPY

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Certified Mail - Return Receipt Requested  
7010137G000352261375

Hand Delivered Received by

|                |             |
|----------------|-------------|
| Identification |             |
| ID             |             |
| Lease          | NMLC029395B |
| CA             |             |
| Unit           |             |
| PA             |             |

### NOTICE OF INCIDENTS OF NONCOMPLIANCE

|  |   |
|--|---|
| Bureau of Land Management Office<br><b>CARLSBAD FIELD OFFICE</b> | Operator<br><b>LINN OPERATING INC.</b>                              |
| Address<br><b>620 E GREENE STREET<br/>CARLSBAD NM 88220</b>      | Address<br><b>600 TRAVIS STREET SUITE 5100<br/>HOUSTON TX 77002</b> |
| Telephone<br><b>575-234-5958</b>                                 | Attention   |
| Inspector<br><b>GREGSTON</b>                                     | Attn Addr   |

|                              |                                |                                   |                        |                     |                        |                       |                    |
|------------------------------|--------------------------------|-----------------------------------|------------------------|---------------------|------------------------|-----------------------|--------------------|
| Site Name<br><b>TURNER B</b> | Well or Facility<br><b>118</b> | 1/4 1/4 Section<br><b>SWSW 20</b> | Township<br><b>17S</b> | Range<br><b>31E</b> | Meridian<br><b>NMP</b> | County<br><b>EDDY</b> | State<br><b>NM</b> |
| Site Name                    | Well or Facility               | 1/4 1/4 Section                   | Township               | Range               | Meridian               | County                | State              |

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

| Date                                 | Time (24 - hour clock) | Violation                    | Gravity of Violation |
|--------------------------------------|------------------------|------------------------------|----------------------|
| 03/16/2011                           | 14:30                  | NTL-3A, 43 CFR 3163.1(a)     | MINOR                |
| Corrective Action To Be Completed By | Date Corrected         | Assessment for Noncompliance | Assessment Reference |
| 04/01/2011                           |                        |                              | 43 CFR 3163.1()      |

**Remarks**

Operator failed to provide a written report on an undesirable event on this location within 15 days as required under NTL-3A and failed to comply with subsequent verbal requests by the Authorized Officer to provide a spill report. The following actions must be completed by 04/01/11. Failure to comply with this Incident of Noncompliance could result in assessments and civil penalties. (Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title Asst. Production Foreman Signature *[Signature]* Date 3-30-11

Company Comments \_\_\_\_\_

*phone: 505-206-7673*

### WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

### REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

|  |                         |                      |
|--|-------------------------|----------------------|
| Signature of Bureau of Land Management Authorized Officer<br><u><i>[Signature]</i></u> | Date<br><b>03/16/11</b> | Time<br><b>17:30</b> |
|--|-------------------------|----------------------|

#### FOR OFFICE USE ONLY

|                                 |      |            |         |             |
|---------------------------------|------|------------|---------|-------------|
| Number<br><b>51</b>             | Date | Assessment | Penalty | Termination |
| Type of Inspection<br><b>SV</b> |      |            |         |             |

**Bratcher, Mike, EMNRD**

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**From:** Vernon Black [vernon@hungry-horse.com]  
**Sent:** Thursday, March 31, 2011 3:30 PM  
**To:** Bratcher, Mike, EMNRD; Terry\_gregston@nm.blm.gov; avalero@linnenergy.com;  
dpotter@linnenergy.com  
**Subject:** Emailing: Initial C 141 Turner B 118  
**Attachments:** Initial C 141 Turner B 118.pdf

Your message is ready to be sent with the following file or link attachments:

Initial C 141 Turner B 118

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.