

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

Received 3/30/2015

NMOCD Artesia

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

| | | | |
|-----------------|------------------------------------|---------------|---------------|
| Name of Company | Linn Operating Inc. | Contact | E.L. Gonzales |
| Address | 2130 W Bender Blvd Hobbs, NM 88240 | Telephone No. | 575-738-1739 |
| Facility Name | H.E. West B # 33 | Facility Type | Injection |

| | | | | | |
|---------------|---------|---------------|--|---------|--------------|
| Surface Owner | Federal | Mineral Owner | | API No. | 30-015-25944 |
|---------------|---------|---------------|--|---------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| L | 03 | 17S | 31E | 1980 | South | 660 | West | Eddy |

Latitude 32.86183 Longitude -103.86335

NATURE OF RELEASE

| | | | | | |
|-----------------------------|--|---|------------|----------------------------|-----------------|
| Type of Release | Produced Water | Volume of Release | 70 bbls | Volume Recovered | 60 bbls |
| Source of Release | Well head | Date and Hour of Occurrence | 02/12/2015 | Date and Hour of Discovery | 02/12/2015 0600 |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | | | |
| By Whom? | | Date and Hour | | | |
| 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.* drilling rig near the West B 33 called LINN to report a leak-Bobby Sooter was contacted and he responded along with Eddie Jaramillo and Rick Rickman. It appeared that the well had been hit by a truck as dual wheel marks were at the well head. The damage results were the tubing valve and tubing below being broken off at the top of the well head and fluid was back flowing on to location

Describe Area Affected and Cleanup Action Taken.* estimated 40 bbls. Of fluid picked up in adjacent pasture and estimate of 30 bbls from location, equipment near location was used to dike well pad and contain fluid along with a vacuum truck tied to the well head.

On February 17, 2015 DFSI personnel responded to the location and placed a berm around the well to contain the fluid. DFSI personnel scraped up the saturated soil in the pasture and on the caliche pad. Four soil samples of the spill area were taken. Each sample was tested for chloride levels as well as TPH. The TPH samples were performed using a Mini Rae Photoionization Detector (PID). All field samples that field tested below state/BLM requirements were taken to Cardinal Lab of Hobbs to obtain confirmation samples. The results are attached (Appendix IV). On March 19, 2015, DFSI personnel returned to the site to start excavation. The impacted caliche pad was removed at 6" below ground surface. On March 20, 2015, the impacted soil in the pasture was excavated to 3' bgs. DFSI personnel returned to the site on March 23, 2015 to backfill the excavated area on the pad with fresh caliche. DFSI used the surrounding terrain for backfill in the pasture area, and the site was completed on March 25, 2015. Photographs are attached (Appendix II). All contaminated soil was hauled to a BLM/NMOCD approved facility.

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:  | OIL CONSERVATION DIVISION | | |
| Printed Name: E.L. Gonzales | Approved by Environmental Specialist: | | |
| Title: Production Supervisor | Approval Date: 4/13/2015 | Expiration Date: N/A | |
| E-mail Address: elgonzales@linenergy.com | Conditions of Approval: | | Attached <input type="checkbox"/> |
| Date: 03/26/2015 Phone: 505-504-8002 | FINAL | | |

* Attach Additional Sheets If Necessary