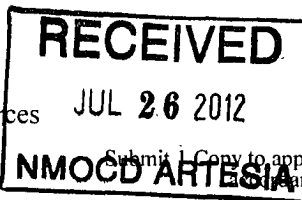


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



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

Release Notification and Corrective Action

nJMW 1221452878 OPERATOR ☒ Initial Report ☐ Final Report
Name of Company: Linn Operating *269324* Contact: Joe Hernandez
Address: 2130 W. Bender Hobbs, NM 88240 Telephone No.: 575-738-1739
Facility Name: Skelly 230 Facility Type: Oil Producer
Surface Owner: Federal Mineral Owner: Federal API No.: 3001529236

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	23	17S	31E	1198	North	1296	East	Eddy

Latitude: 32.8240764485059 Longitude: -103.835982145475

NATURE OF RELEASE

Type of Release: Produced Water / Oil	Volume of Release: 9 / 1	Volume Recovered: 6 / .5
Source of Release: Poly Pipeline	Date and Hour of Occurrence: 07/09/2012 2pm	Date and Hour of Discovery: 07/09/2012 2:30pm
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 07/16/2012 4:45pm	
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.*: Polyline leaked due to weathering.

Describe Area Affected and Cleanup Action Taken.* : 5 x 20 ft area in pasture and on caliche road. Vac truck picked up fluid. 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>[Signature]</i>	OIL CONSERVATION DIVISION	
Printed Name: Joe Hernandez	Approved by District Supervisor:	Signed By <i>[Signature]</i>
Title: Production Foreman	Approval Date: AUG 01 2012	Expiration Date:
E-mail Address: jhernandez@linenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 07/26/2012 Phone: 575-942-9492		

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:**

9/1/12

ZRP-1240