

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 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 Energy	Contact: Joe Hernandez
Address: 2130 W Bender Blvd. - Hobbs, NM	Telephone No.: 575-942-8675
Facility Name: Skelly Satellite 3 / Skelly #65	Facility Type: Satellite

Surface Owner: Federal	Mineral Owner: Federal	API No.: 3001505342
------------------------	------------------------	---------------------

LOCATION OF RELEASE

Unit Letter G	Section 21	Township 17S	Range 31E	Feet from the 2080	North/South Line N	Feet from the 1980	East/West Line E	County Eddy
------------------	---------------	-----------------	--------------	-----------------------	-----------------------	-----------------------	---------------------	----------------

Latitude: N32.82152 Longitude: W103.87262

NATURE OF RELEASE

Type of Release: Oil / Produced Water	Volume of Release: 30 / 25	Volume Recovered: 22 / 18
Source of Release: Steel Pipeline	Date and Hour of Occurrence: 05/19/2012 - 0830	Date and Hour of Discovery: 05/19/2012 - 0900
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher - OCD, Terry Gregston - BLM	
By Whom? Joe Hernandez	Date and Hour: 05/21/2012 - 0900	
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.*: Compressor went down on reset which caused the separator to fill up. The fluid had no where to go and with the compressor not expelling the gas, the header pressured up and found a weak point on a repair clamp that was on a TA line.

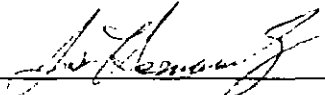


Describe Area Affected and Cleanup Action Taken.*: Repaired the leak and recovered 40bbls.

Impacted soils above regulatory threshold levels were manually and mechanically excavated from the spill area. However, there is still impacted soil at SP1. A soil Boring was performed at SP1 to a depth of 10ft, where refusal was met, the delineation determined the chloride levels to be 752mg. Please note the intervals of the samples collected were measured from the bottom of the excavation, not from ground level. Consequently, 6 feet needs to be added to the sample depth to get the true depth from surface.

Additional excavation was not practical at this point due to, numerous flow lines that traverse through all parts of the excavation, which restricted any further excavation due to safety concerns. As discussed in section 5 of the Corrective Action Plan dated May 25, 2012, LINN proposed to apply a calcium amendment to the bottom of the excavation (gypsum) then backfill with clean compacted fill material to within 1.5 - 2ft of surface then complete the backfill with compatible soil which is conducive to growing vegetation.

Impacted soils were transported off-site to Lea Land Landfill. Once the impacted soils were removed to acceptable levels, the production pad and pasture areas were backfilled with like materials and smoothed to grade, then the pasture area was seeded with a BLM mix #2 & #4. Water bars were installed to prevent wind and water erosion.

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: 		OIL CONSERVATION DIVISION	
Printed Name: Jose Hernandez		Approved by District Supervisor: 	
Title: Foreman		Approval Date: 10/8/15	Expiration Date: N/A
E-mail Address: jhernandez@linneenrgy.com		Conditions of Approval: 	Attached <input type="checkbox"/>
Date: 10/22/2012 Phone: 575-738-1739			

* Attach Additional Sheets If Necessary

22P-1154