



Skelly Unit #255

CLOSURE REPORT

API No. 30-015-29238

Release Date: June 24, 2014

Unit Letter J, Section 23, Township 17 South, Range 31 East

API #: 30-015-29238

NMOCD Case #: 2R-3531

June 8, 2016

Prepared by:

Michael Burton

Environmental Department

Diversified Field Service, Inc.

206 W. Snyder

Hobbs, NM 88240

Phone: (575)964-8394

Fax: (575)393-8396

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Skelly Unit #255

1 INTRODUCTION

Linn Energy (Linn) has retained Diversified Environmental (DFSI) to address environmental issues for the site detailed herein.

The site is located east of Loco Hills, NM, in Eddy County. The spill site resulted from an 1" failed valve pressure gauge. A total of approximately 1 barrel of produced water and 3 barrels of oil was released with none recovered. An initial C-141 was submitted to the NMOCD on June 25, 2014 and approved on February 5, 2016 (Appendix I).

2 SITE ACTIVITIES

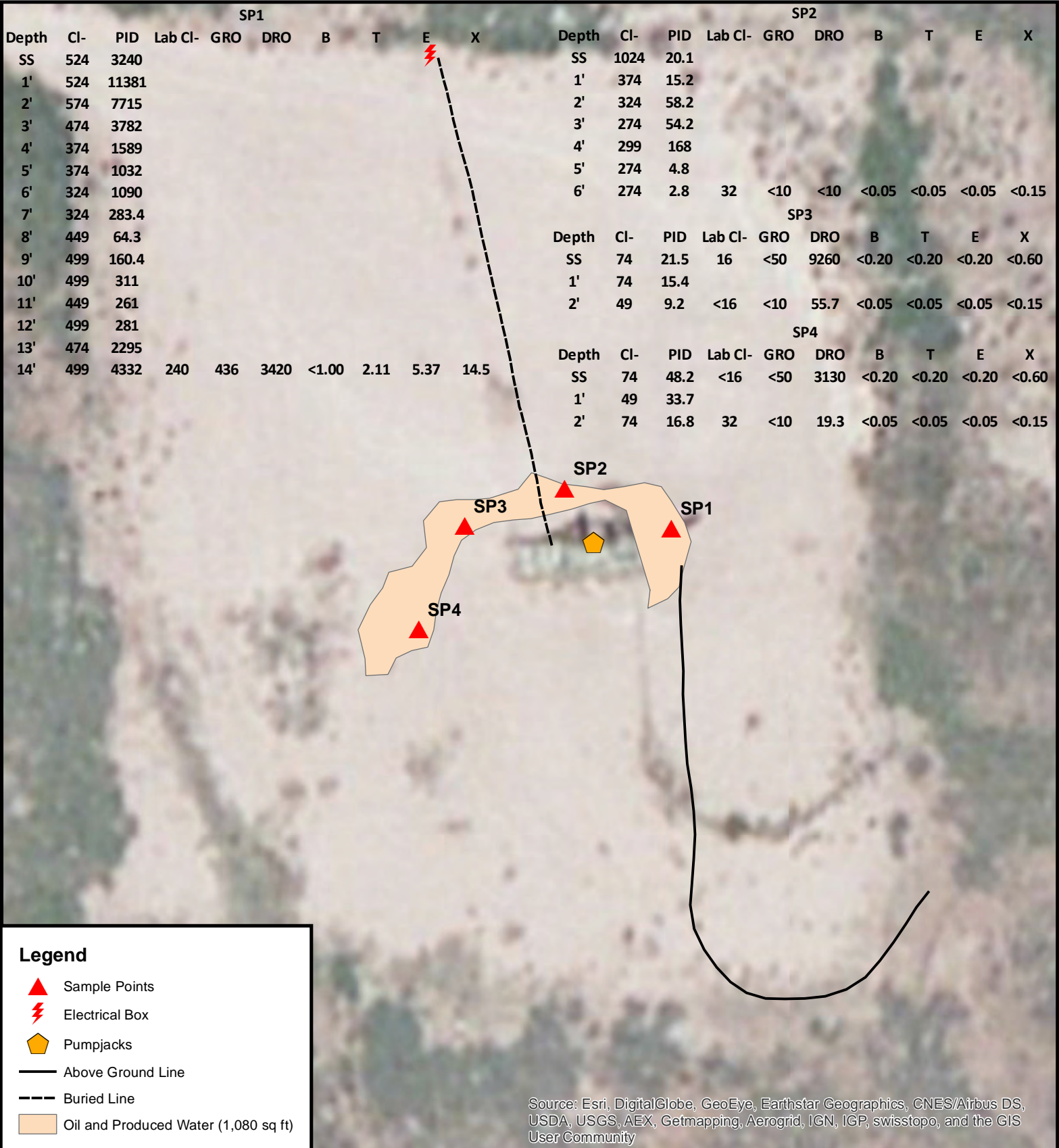
On September 2, 2014, DFSI personnel were on site to obtain samples within the leak area (Figure 1). Four samples were obtained and field sampled for chloride levels, as well as BTEX. The BTEX samples were performed using a Mini Rae Photoionization Detector (PID). Field samples were submitted for laboratory analysis at Cardinal Laboratories of Hobbs, NM to obtain confirmation (Appendix II).

A work plan was submitted to NMOCD and BLM on January 27, 2016, and approved by BLM on February 2, 2016 and NMOCD on February 4, 2016. Beginning February 12, 2016, DFSI personnel were on site to scrape the release area 6" bgs (Appendix III). The excavation was backfilled with clean, imported caliche to ground surface and contoured to the surrounding area. Contaminated soil was properly disposed of at an NMOCD approved facility.

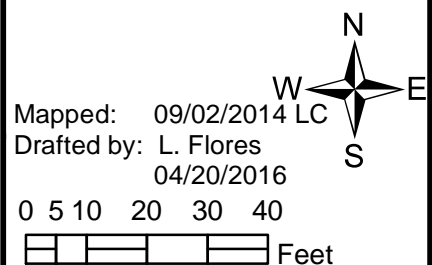
3 CONCLUSION

According to the U.S. Geological Survey and the NM Office of the State Engineer, the site is located in a known area of no groundwater (Appendix IV). Any remaining constituents will be addressed during the site abandonment activities and reclamation; therefore, DFSI, on behalf of Linn, submits the final C-141 (Appendix V) and respectfully requests the closure of this regulatory file.

Site Diagram



Linn
Skelly Unit 255
Unit Letter J, Section 23, T17S, R31E
Eddy County, NM
API #: 30-015-29238
NMOCD Case #: 2R-3531



Appendix I

INITIAL C-141

Diversified Field Service, Inc.
206 W. Snyder
Hobbs, NM 88240
(575) 964-8394

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

Received 1/27/2016
NMOCD Artesia

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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	Contact: Brian Wall	
Address: 2130 W. Bender Hobbs, NM 88240	Telephone No.: 575-738-1739	
Facility Name: Skelly Unit 255	Facility Type: Oil Producer	
Surface Owner: Federal	Mineral Owner:	API No.: 30-015-29238

LOCATION OF RELEASE

Unit Letter J	Section 23	Township 17S	Range 31E	Feet from the 1333	North/South Line South	Feet from the 2596	East/West Line East	County Eddy
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Latitude: 32.8165271878224 Longitude: -103.840217557158

NATURE OF RELEASE


Type of Release: Produced Water / Oil	Volume of Release: 1 bbl / 3 bbls	Volume Recovered: 0 / 0
Source of Release: 1" valve pressure gauge	Date and Hour of Occurrence: 06/24/2014	Date and Hour of Discovery: 06/24/2014 2:00pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jennifer Van Curen -BLM	
By Whom? Brian Wall	Date and Hour 06/25/14 0700	
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.*: Drove up to Skelly unit #255 at 2:00pm and found oil and water on the ground around the pumping unit. I ran to the panel box and shut the well off because the fluid was coming out of the 1 inch valve pressure gauge. The gauge gave out and the fluid was coming out of the top of the gauge. I shut the 1 inch valve and called Double R Trucking to pick up the fluid off the ground. I got a spare 600psi gauge from my truck and replaced the gauge to fix the problem. The vac truck picked up 4 barrels of fluid off the ground.

Describe Area Affected and Cleanup Action Taken.*: The impacted area was about 100 feet long by about 10 wide. The fluid ran west of the well to the end of the pad. Removed fluids from the ground.

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: 		<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Brian Wall		Approved by District Supervisor: Accepted for Record 2/5/2016	
Title: Construction Foreman II		Approval Date:	Expiration Date:
E-mail Address: bwall@linenergy.com		Conditions of Approval:	
Date: 06/25/2014 Phone: 806-367-0645		Remediation per OCD Rules and Guidelines Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL
NO LATER THAN 3/5/2016

2RP-3531

Appendix II

LABORATORY ANALYSIS

Diversified Field Service, Inc.
206 W. Snyder
Hobbs, NM 88240
(575) 964-8394



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

September 09, 2014

BRIAN WALL

LINN OPERATING-HOBBS

2130 W. BENDER

HOBBS, NM 88240

RE: SKELLY UNIT #255

Enclosed are the results of analyses for samples received by the laboratory on 09/03/14 15:05.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

LINN OPERATING-HOBBS
 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 2 @ 6' (H402723-01)

BTX 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/05/2014	ND	1.91	95.6	2.00	6.31	
Toluene*	<0.050	0.050	09/05/2014	ND	1.79	89.3	2.00	5.70	
Ethylbenzene*	<0.050	0.050	09/05/2014	ND	1.70	84.8	2.00	5.15	
Total Xylenes*	<0.150	0.150	09/05/2014	ND	5.20	86.7	6.00	4.42	
Total BTX	<0.300	0.300	09/05/2014	ND					

Surrogate: 4-Bromofluorobenzene (PID) 102 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	<10.0	10.0	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 96.2 % 65.2-140

Surrogate: 1-Chlorooctadecane 104 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LINN OPERATING-HOBBS
 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 3 @ SURFACE (H402723-02)

BTX 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.200	0.200	09/05/2014	ND	1.91	95.6	2.00	6.31	
Toluene*	<0.200	0.200	09/05/2014	ND	1.79	89.3	2.00	5.70	
Ethylbenzene*	<0.200	0.200	09/05/2014	ND	1.70	84.8	2.00	5.15	
Total Xylenes*	<0.600	0.600	09/05/2014	ND	5.20	86.7	6.00	4.42	
Total BTX	<1.20	1.20	09/05/2014	ND					

Surrogate: 4-Bromofluorobenzene (PID) 103 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS				S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	9260	50.0	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 99.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 269 % 63.6-154

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LINN OPERATING-HOBBS
 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 3 @ 2' (H402723-03)

BTX 8021B			mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	09/05/2014	ND	1.91	95.6	2.00	6.31		
Toluene*	<0.050	0.050	09/05/2014	ND	1.79	89.3	2.00	5.70		
Ethylbenzene*	<0.050	0.050	09/05/2014	ND	1.70	84.8	2.00	5.15		
Total Xylenes*	<0.150	0.150	09/05/2014	ND	5.20	86.7	6.00	4.42		
Total BTX	<0.300	0.300	09/05/2014	ND						

Surrogate: 4-Bromofluorobenzene (PID) 101 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	55.7	10.0	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 98.3 % 65.2-140

Surrogate: 1-Chlorooctadecane 110 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LINN OPERATING-HOBBS
 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 4 @ SURFACE (H402723-04)

BTX 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.200	0.200	09/05/2014	ND	1.91	95.6	2.00	6.31	
Toluene*	<0.200	0.200	09/05/2014	ND	1.79	89.3	2.00	5.70	
Ethylbenzene*	<0.200	0.200	09/05/2014	ND	1.70	84.8	2.00	5.15	
Total Xylenes*	<0.600	0.600	09/05/2014	ND	5.20	86.7	6.00	4.42	
Total BTX	<1.20	1.20	09/05/2014	ND					

Surrogate: 4-Bromofluorobenzene (PID) 102 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS				S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	3130	50.0	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 100 % 65.2-140

Surrogate: 1-Chlorooctadecane 166 % 63.6-154

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 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

 Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

 Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 4 @ 2' (H402723-05)

BTX 8021B			mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	09/05/2014	ND	1.91	95.6	2.00	6.31		
Toluene*	<0.050	0.050	09/05/2014	ND	1.79	89.3	2.00	5.70		
Ethylbenzene*	<0.050	0.050	09/05/2014	ND	1.70	84.8	2.00	5.15		
Total Xylenes*	<0.150	0.150	09/05/2014	ND	5.20	86.7	6.00	4.42		
Total BTX	<0.300	0.300	09/05/2014	ND						

Surrogate: 4-Bromofluorobenzene (PID) 103 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	19.3	10.0	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 99.2 % 65.2-140

Surrogate: 1-Chlorooctadecane 109 % 63.6-154

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LINN OPERATING-HOBBS
 BRIAN WALL
 2130 W. BENDER
 HOBBS NM, 88240
 Fax To: (575) 738-1740

Received: 09/03/2014
 Reported: 09/09/2014
 Project Name: SKELLY UNIT #255
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

Sampling Date: 09/02/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 1 @ 14' (H402723-06)

BTEx 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<1.00	1.00	09/05/2014	ND	1.91	95.6	2.00	6.31	
Toluene*	2.11	1.00	09/05/2014	ND	1.79	89.3	2.00	5.70	
Ethylbenzene*	5.37	1.00	09/05/2014	ND	1.70	84.8	2.00	5.15	
Total Xylenes*	14.5	3.00	09/05/2014	ND	5.20	86.7	6.00	4.42	
Total BTEX	22.0	6.00	09/05/2014	ND					

Surrogate: 4-Bromofluorobenzene (PID) 118 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	09/09/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	436	100	09/04/2014	ND	205	103	200	2.65	
DRO >C10-C28	3420	100	09/04/2014	ND	203	102	200	4.16	

Surrogate: 1-Chlorooctane 139 % 65.2-140

Surrogate: 1-Chlorooctadecane 150 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

S-06	The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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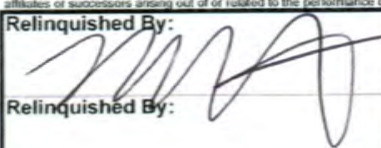
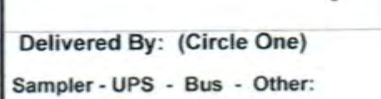

Celey D. Keene, Lab Director/Quality Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: Linn Energy Project Manager: Brian Wall Address: City: State: Zip: Phone #: Fax #: Project #: Project Owner: Project Name: Project Location: Skelly Unit #255 Eddy, CO Sampler Name: MA				BILL TO				ANALYSIS REQUEST																		
				P.O. #: Company: Linn Energy Attn: Brian Wall Address: City: State: Zip: Phone #: Fax #:																						
FOR LAB USE ONLY				MATRIX				PRESERV.		SAMPLING																
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME	CL	TPH	BAX									
H402723																										
1	SP2@6'	9	1			X				X			9-2-14	11:00	X	X	X									
2	SP3@ SURF	9	1			X				X			9-2-14	1:35	X	X	X									
3	SP3@ 2'	9	1			X				X			9-2-14	1:40	X	X	X									
4	SP4@ SURF	9	1			X				X			9-2-14	1:25	X	X	X									
5	SP4@ 2'	9	1			X				X			9-2-14	1:30	X	X	X									
6	SP1@14'	9	1			X				X			9-2-14	12:55	X	X	X									

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Relinquished By:  Date: 7-3-14 Time: 3:05		Received By: Jodi Benson Date: Time:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:	
Relinquished By:  Date: Time:		Received By: Date: Time:		REMARKS: E-mail Results To: Ngladden@diversifiedfsi.com Rpons@diversifiedfsi.com	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Sample Condition Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>		CHECKED BY: 	

Appendix III

SITE PHOTOS



Skelly Unit #255

PHOTO PAGE



Initial site photos



Initial site photos



Initial site photos



Initial site photos



Scraping pad 6"



Scraping pad 6"



Exporting soil



Exporting soil



Site completed



Site completed

Appendix IV

GROUNDWATER STUDY

Diversified Field Service, Inc.
206 W. Snyder
Hobbs, NM 88240
(575) 964-8394



New Mexico Office of the State Engineer **Water Column/Average Depth to Water**

No records found.

PLSS Search:

Section(s): 13, 14, 15, 22,
23, 24, 25, 26,
27 **Township:** 17S **Range:** 31E

Appendix V

FINAL C-141

Diversified Field Service, Inc.
206 W. Snyder
Hobbs, NM 88240
(575) 964-8394

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

Form C-141
Revised August 8, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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: EL Gonzales
Address: 2130 W Bender, Hobbs, NM 88240	Telephone No. 575-738-1739
Facility Name: Skelly Unit 255	Facility Type: Oil Producer

Surface Owner: Federal	Mineral Owner:	API No. 30-015-29238
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LOCATION OF RELEASE

Unit Letter J	Section 23	Township 17S	Range 31E	Feet from the 1333	North/South Line South	Feet from 2596	East/West Line East	County Eddy
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Latitude: 32.8165271878224 Longitude: -103.840217557158

NATURE OF RELEASE

Type of Release: Produced Water / Oil	Volume of Release: 1 bbl / 3 bbls	Volume Recovered: 0 / 0
Source of Release: 1" Valve Pressure Gauge	Date and Hour of Occurrence 06/24/2014	Date and Hour of Discovery 06/24/2014 2:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jennifer Van Curen - BLM	
By Whom? Brian Wall	Date and Hour: 06/25/14 0700	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*


Describe Cause of Problem and Remedial Action Taken.*

Found oil and water on the ground around the pumping unit. Shut the well off because the fluid was coming out of the 1 inch valve pressure gauge. The gauge gave out and the fluid was coming out of the top of the gauge. Shut the 1 inch valve and called vacuum truck to pick up fluid on the ground. Replaced the gauge to fix the problem. Vacuum truck removed 4 barrels of fluid off the ground.

Describe Area Affected and Cleanup Action Taken.

On September 2, 2014, DFSI personnel were on site to obtain samples within the leak area (Figure 1). Four samples were obtained and field sampled for chloride levels, as well as BTEX. The BTEX samples were performed using a Mini Rae Photoionization Detector (PID). Field samples were submitted for laboratory analysis at Cardinal Laboratories of Hobbs, NM to obtain confirmation. A work plan was submitted to NMOCD and BLM on January 27, 2016, and approved by BLM on February 2, 2016 and NMOCD on February 4, 2016. Beginning February 12, 2016, DFSI personnel were on site to scrape the release area 6" bgs. The excavation was backfilled with clean, imported caliche to ground surface and contoured to the surrounding area. Contaminated soil was properly disposed of at an NMOCD approved facility. Any remaining constituents will be addressed during the site abandonment activities and reclamation.

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: EL Gonzales	Approved by Environmental Specialist:		
Title: Production Supervisor	Approval Date:	Expiration Date:	
E-mail Address: elgonzaless@linenergy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 3/3/2016 Phone: 575-504-8002			

* Attach Additional Sheets If Necessary