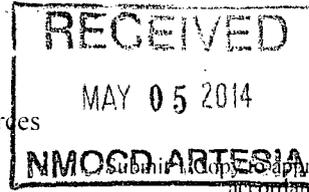


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

**Release Notification and Corrective Action**

nHMP 1413233154 OPERATOR  Initial Report  Final Report

Name of Company: Linn Operating 269324	Contact: Brian Wall
Address: 2130 W Bender Hobbs, NM 88240	Telephone No.: 575-738-1739
Facility Name: Skelly B Battery - (Skelly #274)	Facility Type: Battery

Surface Owner: Federal	Mineral Owner:	API No.: (closest well)3001529210
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**LOCATION OF RELEASE**

Unit Letter G	Section 28	Township 17S	Range 31E	Feet from the 1443	North/South Line North	Feet from the 1462	East/West Line East	County Eddy
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Latitude: 32.8088632278138 Longitude: -103.870864775928

**NATURE OF RELEASE**

Type of Release: Oil	Volume of Release: 40bbls	Volume Recovered: 25 bbls
Source of Release: Steel Pipeline	Date and Hour of Occurrence: 05/03/2014	Date and Hour of Discovery: 05/03/2014 7:50am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? M. Burton- BLM Mike Bratcher- OCD	
By Whom? Brian Wall	Date and Hour 05/05/2014 0645	
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 the Skelly B Battery at 7:50am and found oil in the road around the eastside of the battery and the water tank. I drove around the water tank firewall and found the oil coming out of the ground behind the battery outside of the firewall. I heard the circulating pump running so i ran to the pannel box and shut the power off. I closed the circulating line valve on the production tank and closed the valves at the pump also to stop the fluid.

Describe Area Affected and Cleanup Action Taken.\* : The affected area was about 80 feet from the leak running west to east and about 240 feet running north to south. The closest well to the leak area is well #274 on the westside of the battery. Called Double R trucking to pick up the oil off the ground to try to save the oil but the truck was sucking up alot of sand and rocks with it. The truck picked up about 25 barrels of oil off the ground. We lost about 40 barrels of oil total. I called Diversified to come out and fix the leak. The cause of the leak was an old 2 inch clamp on an old 2 inch steel line coming from the circulating pump. We bleed out the line with the vacuum truck and we replaced the old line with a temporary poly line.

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:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Brian Wall	Approved by District Supervisor:	
Title: Construction Foreman II	Approval Date: 5/12/14	Expiration Date: NA
E-mail Address: bwall@linenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>

Remediation per OCD Rule & Guidelines, & like approval by BLM. **SUBMIT REMEDIATION PROPOSAL NO LATER THAN:** 2RP-2290