

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

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	Contact: Brian Wall	
Address: 2130 W. Bender Hobbs, NM 88240	Telephone No.: 806-367-0645	
Facility Name: McClay Federal #7	Facility Type: Oil	
Surface Owner: Federal	Mineral Owner	API No.: 3001510370

LOCATION OF RELEASE

Unit Letter C	Section 33	Township 18S	Range 30E	Feet from the 330	North/South Line North	Feet from the 1650	East/West Line West	County Eddy
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Latitude: 32.7103208597655 Longitude: -103.980175130974

NATURE OF RELEASE

Type of Release: Oil	Volume of Release: 10 bbls	Volume Recovered: 0
Source of Release: Heater	Date and Hour of Occurrence: 09/24/2013 12:00am	Date and Hour of Discovery: 9/24/2013
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Burton- BLM Mike Bratcher- NM OCD	
By Whom? Brian Wall	Date and Hour 09/26/2013 7:45am	
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.*: Missed opening valve when restarting well. Heater exceeded operating pressure blew oil through pressure relief valve on top of the heater.

Describe Area Affected and Cleanup Action Taken.*: The release covered 2,486 sq ft of lease pad and pasture land. RECS personnel were on site beginning on September 30th, 2013 to assess the releases. Soil samples from the surface and with depth were taken from the release. The samples were field tested for chlorides and organic vapors and representative samples were taken to a commercial laboratory for analysis. Point 1 returned laboratory chloride, GRO, DRO and BTEX below regulatory standards beginning at 6 inches. Point 2 returned laboratory chloride, GRO, DRO and BTEX below regulatory standards beginning at 1 foot. Point 3 returned laboratory chloride, GRO, DRO and BTEX below regulatory standards beginning at 8.5 feet. A CAP for the release (2RP-1959) was sent to NMOCD and BLM on October 29th, 2013 and approved by BLM the same day. NMOCD approved the CAP on November 15th, 2013. On November 6th, 2013, CAP activities began at the site. The area inside the treater berm, the contaminated berm, the 6 inch scrape and the 4 foot excavation were completed and a total of 228 yards of contaminated soil was taken to a NMOCD approved facility for disposal. A total of 72 yards of clean caliche was imported to the site to backfill the treater area and replace the contaminated berm. The remaining caliche was backfilled into the 4 foot excavation. Once the 4 foot excavation was completed, wall samples were taken to a commercial laboratory for analysis to confirm all constituents were below regulatory standards. At the base of the 6 inch scrape, a 5 point bottom composite was taken and sent to a commercial laboratory for analysis. The bottom composite returned a chloride value of 320 mg/kg, a DRO value of 306 mg/kg and GRO and BTEX values of non-detect. This data was sent to BLM and NMOCD with a request to backfill the site. BLM approved the site to be backfilled on November 25th, 2013 and NMOCD approved the site to be backfilled on December 2nd, 2013. A trench was installed along the periphery of the 4 foot excavation and a 20-mil reinforced poly liner was key set into the excavation. A total of 108 yards of top soil was imported to site to serve as backfill. The liner was padded with 6 inches of the top soil and the remaining caliche was backfilled over the padded liner. A sample of the imported top soil was taken to a commercial laboratory and returned a laboratory chloride reading of 64 mg/kg. The 6 inch scrape and the remainder of the 4 foot excavation was backfilled with the imported top soil and the area was contoured to the surrounding location. On December 10th, 2013, soil amendments were added to the pasture area and the site was seeded with LPC seed mix.

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>Fred B Wall</i>	OIL CONSERVATION DIVISION	
Printed Name: Brian Wall	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: Construction Foreman II	Approval Date: <i>6/9/14</i>	Expiration Date: <i>NA</i>
E-mail Address: bwall@linenergy.com	Conditions of Approval: <i>Final</i>	Attached <input type="checkbox"/>
Date: 2/5/14	Phone: 806-367-0645	

* Attach Additional Sheets If Necessary