

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 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

nmw 1101947788

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Linn operating	Contact Dennis Potter	
Address 13694 Lovington hwy. Loco Hills, N.M. 88255	Telephone No. 505-206-7673	
Facility Name Keel A # 34	Facility Type Producing well	
Surface Owner B.L.M.	Mineral Owner Fed. Gov't.	Lease No. API #: 30-015-28233

LOCATION OF RELEASE

Unit Letter	Section 7	Township 17S	Range 31E	Feet from the	North/South Line 1053' FSL	Feet from the	East/West Line 2604' FWL	County EDDY
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 80 bbls.	Volume Recovered 60 bbls
Source of Release Injection Line	Date and Hour of Occurrence <i>10/23/2010</i>	Date and Hour of Discovery <i>10/23/2010 10:00 AM</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Terry Gregston and Jim Amos	
By Whom? Dennis Potter	Date and Hour <i>10/23/2010 11:00 AM</i>	
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.*

RECEIVED

DEC 27 2010

NMOCD ARTESIA

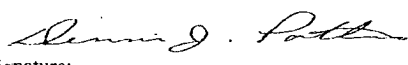
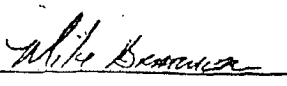
Describe Cause of Problem and Remedial Action Taken.*

Injection leak on a 2" H.P. Fiberglass injection line was found approx. at 9:30 A.M. We immediately blocked in section of line where the leak was. I called Out a vacuum truck to start recovering water. Then I notified my office, then the BLM office. I then notified Holly corp. because the leak was by their lines. I then had the gang dig the leak out by hand and prepare to repair.

Describe Area Affected and Cleanup Action Taken.*

Affected area was approx 100 yards due south of the location all wtr had run into a sand dune area and was contained there. Talon LPE was called out to take soil samples and they were sent to Cardinal labs for analysis. Further soil remediation will be determined after tests results are received.

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: Dennis J. Potter	Approved by District Supervisor 	
Title: Production Specialist / Ass't. Production Foreman.	Approval Date: <i>3/9/11</i>	Expiration Date:
E-mail Address: dpotter@linenergy.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	
Date: _____ Phone: 505-206-7673	Attached <input type="checkbox"/> <i>2 RP. 572</i>	

* Attach Additional Sheets If Necessary

4/9/11