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SEP 22 2011

NMOCD ARTESIA

Form C-141

Revised October 10, 2003

Submit 3 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

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

30-015-28292**Release Notification and Corrective Action****nMLB1128054989****OPERATOR**☒ Initial Report ☐ Final Report

| | | |
|---|--------------------|-----------------------------------|
| Name of Company: LINN Energy | 269324 | Contact: Joe Hernandez |
| Address: 2130 W Bender Blvd. - Hobbs, NM | | Telephone No.: 575-942-8675 |
| Facility Name: J.L. Keel B Well 61 Flowline | | Facility Type: Producing Oil Well |
| Surface Owner: BLM | Mineral Owner: BLM | Lease No.: LC-029435-B |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|--------------|-----------------|--------------|-----------------------|-----------------------|----------------------|---------------------|----------------|
| Unit Letter | Section 6 | Township 17S | Range 31E | Feet from the 1410 | North/South Line N | Feet from the 150 | East/West Line E | County Eddy |
|-------------|--------------|-----------------|--------------|-----------------------|-----------------------|----------------------|---------------------|----------------|

Latitude: 32.862985 Longitude: -103.905658

NATURE OF RELEASE

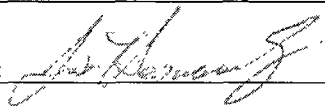
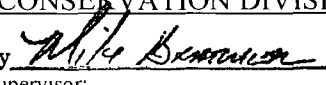
| | | |
|--|---|--|
| Type of Release: Oil & Produced Water | Volume of Release: 5 | Volume Recovered: 0 |
| Source of Release: Flowline | Date and Hour of Occurrence: 09/16/11-1300 | Date and Hour of Discovery: 19/16/11-1400 |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? T. Gregston BLM, 09/20/11-1600, M. Bratcher OCD 09/21/11-0900 | |
| By Whom? | Date and Hour: | |
| 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.*: Scale buildup in the flowline caused the line to over-pressure and rupture. Well was shut in and line repaired.

Describe Area Affected and Cleanup Action Taken.* : Approximately 2600 square feet of surface area was impacted. Majority of spill pooled in an area next to the road. Note: Spill is over a buried water pipeline operated by Yates. Also noted was the presence of a possible historical spill in this area prior to acquisition of the lease by LINN. The spill resides within confines of the potential historical impact and will be investigated/remediated at the time of remediation of this release. Photographs, Site Map, and Corrective Action Plan attached.

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 | Signed By  | |
| Title: Foreman | Approved by District Supervisor: OCT 07 2011 | |
| E-mail Address: jhernandez@linneenergy.com | Approval Date: | Expiration Date: |
| Date: 09/31/11 Phone: 575-738-1739 | Conditions of Approval: | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:**
11/7/2011

2RP-908