

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

RECEIVED

JUL 30 2013

NMOCD ARTESIA

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

OPERATOR

☐ Initial Report ☒ Final Report

|                 |                                      |               |                |
|-----------------|--------------------------------------|---------------|----------------|
| Name of Company | Linn Operating                       | Contact       | Gary Wink      |
| Address         | 2130 W. Bender Blvd. Hobbs, NM 88240 | Telephone No. | (575) 738-1739 |
| Facility Name   | J.L. Keel B #072                     | Facility Type | Injection      |

|               |     |               |     |           |            |
|---------------|-----|---------------|-----|-----------|------------|
| Surface Owner | BLM | Mineral Owner | BLM | Lease No. | 3001528580 |
|---------------|-----|---------------|-----|-----------|------------|

LOCATION OF RELEASE

|             |         |          |       |               |                  |               |                |        |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| I           | 5       | 17S      | 31E   | 2230'         | FSL              | 760'          | FEL            | Eddy   |

Latitude 32.86242 Longitude -103.88504

NATURE OF RELEASE

|                             |   |   |   |                            |                  |
|-----------------------------|---|---|---|----------------------------|------------------|
| Type of Release             | Produced Water/Oil  | Volume of Release                         | 35 bbls/5 bbls                            | Volume Recovered           | 0/0              |
| Source of Release           | 2" Fiberglass HP line   | Date and Hour of Occurrence               | 1/8/2013 9:30 am                          | Date and Hour of Discovery | 1/9/2013 9:00 am |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?                          | Mike Bratcher, NMOCD; Terry Gregston, BLM |                            |                  |
| By Whom?                    | Jose Hernandez  | Date and Hour                             | 1/9/13 9:45 am                            |                            |                  |
| 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.\* On 1/8/13 at 2130 Linn received an alarm at the Keel West for header discharge pressure. The line was shut in but the leak could not be located in the dark. The leak was found on 1/9/13 at 0900 hrs. The leak was caused by a failure in line at 2" collar. A total of 5,576 sq ft of road and pasture were affected.

Describe Area Affected and Cleanup Action Taken.\*

On January 9<sup>th</sup>, 2013, RECS personnel were on site to initialize work on the J.L. Keel B #72. Soil samples were taken from the surface of the release (Figure 1) and the samples were taken to a commercial laboratory for analysis of chlorides, GRO and DRO. Based on the sampling data, Linn submitted a Corrective Action Plan (CAP) on March 8<sup>th</sup>, 2013. BLM approved this CAP on March 11<sup>th</sup>, 2013 with the following conditions:

1. Confirmatory samples of the bottom and sidewalls would need to be taken of the pasture area;

2. The site should be backfilled with native soils matching the surrounding terrain, re-contoured, and seeded using the LPC seed mix.

Site excavation began on March 20<sup>th</sup>, 2013. The lease road was scraped down six inches. The release areas in the north pasture was excavated down four feet and the release areas in the south pasture were excavated down six inches and two feet (Figure 2). A total of 384 yards of soil was taken to a NMOCD approved facility for disposal.

Representative samples from the pasture areas were taken to a commercial laboratory for analysis of chlorides, TPH and BTEX. A surface sample was taken at Pt. 6 and taken to a commercial laboratory for analysis of chlorides, TPH and BTEX. The laboratory chloride reading returned a result of 96 mg/kg and TPH and BTEX readings of non-detect. BLM verbally approved the backfilling of the site and the site was backfilled with clean, imported soil. A total of 396 yards of caliche and top soil was imported to the site to serve as backfill. A sample of the imported soil was taken to a commercial laboratory for analysis of chlorides and returned a result of non-detect. The site was backfilled and contoured to the surrounding location. The site was backfilled, was contoured to the surrounding location, and was seeded on July 16<sup>th</sup>, 2013 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>Gary W. Wink</i>       | OIL CONSERVATION DIVISION                           |                                   |
| Printed Name: Gary Wink              | Approved by District Supervisor: <i>[Signature]</i> |                                   |
| Title: Production Foreman            | Approval Date: 10/6/14                              | Expiration Date: NA               |
| E-mail Address: gawink@linenergy.com | Conditions of Approval: <i>Final</i>                | Attached <input type="checkbox"/> |
| Date: 7/19/13                        | Phone: (575) 738-1739                               |                                   |

\* Attach Additional Sheets If Necessary

22D-1585