<u>District I</u> 1625 N. French Dr , Hobbs, NM 88240 District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S St Francis Dr., Santa Fe, NM 87505

Energy Minerals and Natural Resources JUN 19 2012 State of New Mexico

RECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division MOCD APITES part appropriate District Office in 1220 See al. St. Francis Dr. 1220 South St. Francis Dr.

Santa Fe, NM 87505

Release Notification and Corrective Action											
							OPERATOR Initial Report Fin				
Name of Co			g 25	69324	Contact: Joe						
Address: 21.		240,		Teléphone No.: 575-738-1739							
Facility Name: Keel B 10 Facility Type: Injection											
Surface Owner: Federal Mineral Owner: F							Federal API No.: 3001505110				
LOCATION OF RELEASE											
Unit Letter B	Section 8	Township 17S	Range 31E	Feet from the 660		South Line North	Feet from the 1980	East/West Line East		County Eddy	
Latitude: 32.85446 Longitude: -103.88899											
NATURE OF RELEASE Type of Release: Produced Water / Oil Volume of Release: 14 / 2 Volume Recovered: 0 / 0											
Type of Relea				Volume of Release: 14 / 2 Volume Recovere							
Source of Release: Pipeline						1			Date and 06/15/201	Hour of Discovery:	
Was Immedia	ite Notice C	No □ Not Requ	uired	If YES, To Whom?							
By Whom? Joe Hernandez						Date and Hour 06/18/2012 12pm					
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse.					
If a Watercourse was Impacted, Describe Fully.*:											
Describe Cause of Problem and Remedial Action Taken.*: Drive to Injection plant doing daily routine and notice pump #2 failure, reset pump at control room and run about 2 min. and failed to run, walk around injection plant and check pressure on injection lines and notice line #5 pressure down, close valve and turned pump on again, walk injection lines and found leak.											
Describe Area Affected and Cleanup Action Taken.*: 180ft. L X 5ft.W Leak was found between Keel B #10 and Keel B #12 injection. Ran E and S to lease RD. Further remedial action pending.											
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.											
						OIL CONSERVATION DIVISION					
Signature: Alas filosoficas filosoficas								•		Alla Kansan	
Printed Name: Joe Hernandez						Approved by District Supervisor: Signed By 7/1/4 E) 20012					
Title: Production Foreman						Approval Date: Expiration Date:					
E-mail Address: jhernandez@linnenergy.com Date: 06/19/2012 Phone: 575-942-9492					Conditions of Approval:			Attached			
Attach Additi	Attach Additional Sheets If Necessary Remediation per OCD Rules & 2RD-1181										

Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:

1101