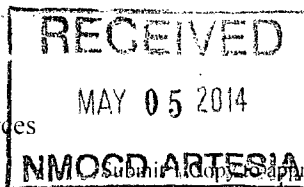


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

### Release Notification and Corrective Action

nHMP 1413233154

#### OPERATOR

☒ Initial Report ☐ Final Report

|   |                             |
|---|-----------------------------|
| Name of Company: Linn Operating 269324          | Contact: Brian Wall         |
| Address: 2130 W Bender Hobbs, NM 88240          | Telephone No.: 575-738-1739 |
| Facility Name: Skelly B Battery - (Skelly #274) | Facility Type: Battery      |

|                        |                |                                    |
|------------------------|----------------|------------------------------------|
| Surface Owner: Federal | Mineral Owner: | API No.: (closest well) 3001529210 |
|------------------------|----------------|------------------------------------|

#### LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G           | 28      | 17S      | 31E   | 1443          | North            | 1462          | East           | Eddy   |

Latitude: 32.8088632278138 Longitude: -103.870864775928

#### NATURE OF RELEASE

|  |   |   |
|--|---|---|
| Type of Release: Oil   | Volume of Release: 40bbls                             | Volume Recovered: 25 bbls                     |
| Source of Release: Steel Pipeline  | Date and Hour of Occurrence: 05/03/2014               | Date and Hour of Discovery: 05/03/2014 7:50am |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>M. Burton- BLM Mike Bratcher- OCD |   |
| By Whom? Brian Wall  | Date and Hour 05/05/2014 0645                         |   |
| Was a Watercourse Reached?<br><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.\*: Drove up to the Skelly B Battery at 7:50am and found oil in the road around the eastside of the battery and the water tank. I drove around the water tank firewall and found the oil coming out of the ground behind the battery outside of the firewall. I heard the circulating pump running so i ran to the pannel box and shut the power off. I closed the circulating line valve on the production tank and closed the valves at the pump also to stop the fluid.

Describe Area Affected and Cleanup Action Taken.\*: The affected area was about 80 feet from the leak running west to east and about 240 feet running north to south. The closest well to the leak area is well #274 on the westside of the battery. Called Double R trucking to pick up the oil off the ground to try to save the oil but the truck was sucking up alot of sand and rocks with it. The truck picked up about 25 barrels of oil off the ground. We lost about 40 barrels of oil total. I called Diversified to come out and fix the leak. The cause of the leak was an old 2 inch clamp on an old 2 inch steel line coming from the circulating pump. We bleed out the line with the vacuum truck and we replaced the old line with a temporary poly line.

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:                          | Approved by District Supervisor:  |                     |
| Printed Name: Brian Wall            | Approval Date: 5/12/14            | Expiration Date: NA |
| Title: Construction Foreman II      | Conditions of Approval:           |                     |
| E-mail Address: bwall@linenergy.com | Attached <input type="checkbox"/> |                     |

Remediation per OCD Rule & Guidelines, &  
like approval by BLM. **SUBMIT REMEDIATION**  
**PROPOSAL NO LATER THAN:**

2RP-2290