District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III
1000 Rto 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

APR 20 2012

RECEIVED

Form C-141 Revised October 10, 2003

NMOCOMAN TESTATE With 19.15.29 NMAC

Santa Fe, NM 87505 **Release Notification and Corrective Action**

Oil Conservation Division 1220 South St. Francis Dr.

| MLB/1/2856542 | | | | | | OPERA | ΓOR | | Initial | al Report | | Final Report | |
|---|---|-----------------|-----------------------------|---|-----------------------------------|--|--------------------|---------|-----------------------|----------------------------|--------|--------------|--------------|
| Name of Company: Linn Operating 269324 | | | | | 1 | Contact: Joe | Hernandez | | | | | | |
| Address: 2130 W. Bender Hobbs, NM 88240 | | | | | | Telephone No.: 575-738-1739 | | | | | | | |
| Facility Name: Skelly #26 | | | | | | Facility Type: Injection | | | | | | | |
| Surface Owner: Federal Mineral Owner | | | | | | Federal | | | API No.: 3001505157 | | | | |
| LOCATION OF RELEASE | | | | | | | | | | | | | |
| Unit Letter | Section | Township | nship Range Feet from the N | | | South Line | Feet from the East | | st/West Line County | | | | |
| J | 15 | 178 | 31E | 1880 | : | South | 1980 | East | | | Eddy | | |
| | Latitude: 32.8325111956535 Longitude: -103.855428013811 | | | | | | | | | | | | |
| NATURE OF RELEASE | | | | | | | | | | | | | |
| Type of Rele | ase: Produc | ed Water | | | | | | | Recovered: 0 | | | | |
| Source of Release: Pipeline-steel | | | | | | | | | | ate and Hour of Discovery: | | | |
| | | | | | 04/04/2012 9:30am 04/04/2012 10am | | | | | | | | |
| Was Immedia | ate Notice (| No □ Not Rec | quired | If YES, To Whom? d M. Bratcher-NM OCD Terry Gregston-BLM | | | | | | | | | |
| By Whom? Joe Hernandez | | | | | | Date and Hour 04/04/2012 1pm 4/5 4:39/ | | | | | | | |
| Was a Watero | | | | If YES, Volume Impacting the Watercourse. | | | | | | | | | |
| | | | Yes 🛚 | No | | | | | | | | | |
| If a Watercourse was Impacted, Describe Fully.*: | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Describe Cause of Problem and Remedial Action Taken.*: Drove to location to check wells and found injection line leaking, shut in line. | | | | | | | | | | | | | |
| Describe Cause of Floorem and Remedial Action Taken.*: Drove to location to check wells and found injection line leaking, shut in line. | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Describe Area Affected and Cleanup Action Taken.*: Pending remedial action. | | | | | | | | | | | | | |
| Describe Area | Describe Area Affected and Cleanup Action Taken.*: Pending remedial action. | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| I hereby certi | fy that the in | nformation gr | en above | is true and comple | te to th | e best of my | knowledge and ur | ndersta | and that purs | uant to NMO | OCD n | iles and | |
| regulations al | l operators | are required to | report an | d/or file certain rel | ease no | tifications ar | id perform correct | ive ac | tions for rele | eases which | may en | danger | |
| 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: As Resum J | | | | | | Signed By Mile Breeze, on | | | | | | | |
| | | | | | | | | | | | | | Printed Name |
| Printed Name: Joe Hernandez MAY 0 7 2012 | | | | | | | | | | | | | |
| Title: Production Foreman | | | | | | Approval Date: Expiration Date: | | | | | | | |
| | | | | | | | | | | | | | |
| E-mail Addre | | | | | (| Conditions of Approval | | | s & | Attached | | | |
| Date: 04/20/2012 Phone: 575-942-9492 | | | | | | Remediation per OCD Rules & Remediation per OCD Rules & Quidelines. SUBMIT REMEDIATION Attached | | | | | | | |
| Attach Additional Sheets If Necessary | | | | | | | IIBMIII VEIAI- | | 2RP-1115 | | | | |
| | | | | | | | | | | 11 3 | | | |
| | | | | | PH | 10 | 7/2012 | | - | | | | |
| | | | | | | | | | | | | | |