

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

OCT 05 2012

Form C-141
Revised October 10, 2003

NMOCD ARTESIA
Submit to the Appropriate District Office in accordance with 19.15.29 NMAC

Release Notification and Corrective Action

nJMW1229054865

OPERATOR

☒ Initial Report ☐ Final Report

| | | |
|---|--------|-----------------------------|
| Name of Company: Linn Operating | 269324 | Contact: Joe Hernandez |
| Address: 2130 W. Bender Hobbs, NM 88240 | | Telephone No.: 575-738-1739 |
| Facility Name: Skelly Unit # 93 | | Facility Type: Injection |

| | | |
|------------------------|------------------------|---------------------|
| Surface Owner: Federal | Mineral Owner: Federal | API No.: 3001504885 |
|------------------------|------------------------|---------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter F | Section 28 | Township 17S | Range 31E | Feet from the 1980 | North/South Line North | Feet from the 1980 | East/West Line West | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude: 32.8073812700173 Longitude: -103.876798708408

NATURE OF RELEASE


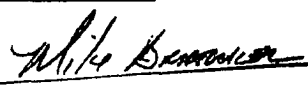
| | | |
|--|--|--|
| Type of Release: Oil / Produced Water | Volume of Release: 2bbls / 10bbls | Volume Recovered: 0 / 0 |
| Source of Release: 2" Fiberglass injection line | Date and Hour of Occurrence: 09/27/2012 11:30am | Date and Hour of Discovery: 09/27/2012 12:00 |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? M. Bratcher- NM OCD Terry Gregston-BLM | |
| By Whom? Gary Wink | Date and Hour 10/02/2012 3:45pm | |
| 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.*: bird electric was digging holes in ground for power poles and hit underground 2" fiber glass injection line that was marked. Etech has assessed the spill, took samples. Further remedial and cleanup action pending.

Describe Area Affected and Cleanup Action Taken.* : 80yd south of well head. Spot 15'x20'.

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: Joe Hernandez | Approved by District Supervisor: Signed By  | |
| Title: Production Foreman | Approval Date: OCT 16 2012 | Expiration Date: |
| E-mail Address: jhernandez@linenergy.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 10/05/2012 Phone: 575-942-9492 | | |

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:

Nov. 16, 2012

2RP-1327