

District I - (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBES OCD
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
JAN 30 2012

WELL API NO. 30-025-09068
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No. 309546
7. Lease Name or Unit Agreement Name SEVEN RIVERS QUEEN UNIT
8. Well Number: 005
9. OGRID Number 269324
10. Pool name or Wildcat EUNICE;SEVEN RIVERS-QUEEN, SOUTH
4. Well Location Unit Letter E: 1980 feet from the N line and 660 feet from the W line
Section 27 Township 22S Range 36E NMPM LEA County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,503' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [] Gas Well [X] Other INJECTION
2. Name of Operator LINN OPERATING, INC.
3. Address of Operator 600 TRAVIS, SUITE 5100, HOUSTON, TEXAS 77002

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A [X]
CASING/CEMENT JOB []
OTHER: []

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 1/16/12 MIRUPU. Dig out cellar. NDWH NUBOP. RIH w/ 2-3/8" tbg to 3395', no tag on cmt. Raise btm of tbg up to 3330'.
1/17/12 POH w/ tbg. LD perf sub. RIH w/ tbg to 3433' RU pump truck. Pump 25 sx cmt. Raise btm tbg up to 2500' WOC. Lower tbg, tag cmt @ 3124', called OCD w/ tag depth. Raise btm tbg up to 3040' circ hole w/ mud. Spot 25 sxs cmt displ top of cmt to 2800' per Mark Whittaker (OCD). LD 21 jts tbg. Btm tbg @ 2350', break circ., spot 25 sxs cmt. Displ TOC to 2112'. POH w/ 20 stds tbg. SDFN.
1/18/12 TIH w/ tbg, tag TOC @ 2144', called OCD (OK w/ tag). POH tbg to 1572', break circ spot 25 sxs w/ 2% cal. Raise btm tbg up to 1200'. WOC. Lower tbg, tag cmt @ 1437', POH w/ 4 stds. SDFN.
1/19/12 SICP 0 psi. LD 36 jts tbg, ND BOP RIH w/ tbg 250', break circ., spot 30 sxs cmt from 250' up to surface. POH w/ tbg. LD. Clean out cellar. Cut off wellhead, install dry hole marker, RD pulling unit, pump 5 sxs cmt on top WH, cut & remove anchors. Clean location.

Spud Date: []

Rig Release Date: []

Approved for plugging of well bore only. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE: REGULATORY SPECIALIST III DATE JANUARY 26, 2012

Type or print name TERRY B. CALLAHAN E-mail address: tcallahan@lennenergy.com PHONE: 281-840-4272

For State Use Only

APPROVED BY [Signature] TITLE STATE MGR DATE 2-1-2012

Conditions of Approval (if any):

FEB 01 2012

Wellbore Diagram

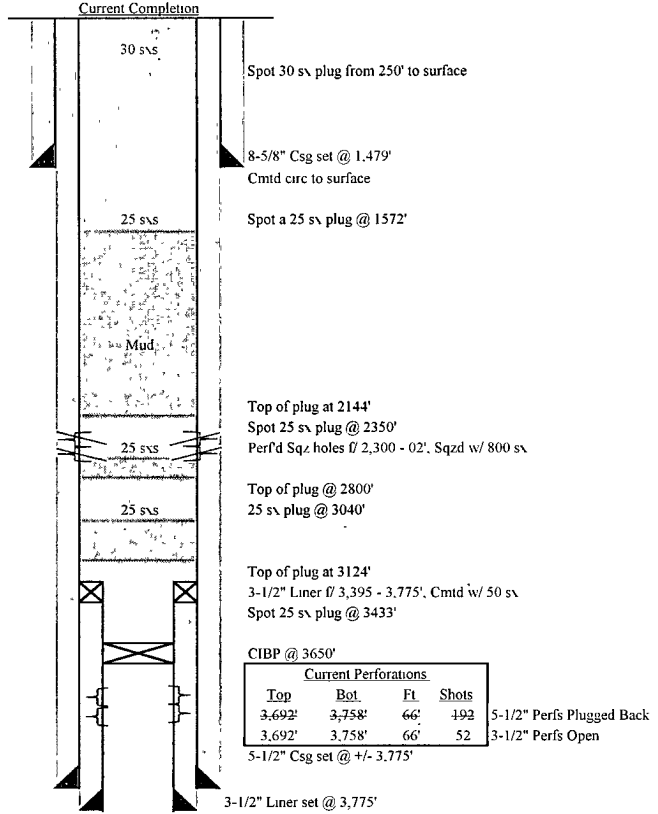
Lease & Well No Seven Rivers Queen Unit #5
 Field Name Eunice Seven Rivers Queen South
 Location 1980' FNL & 660' FWL, T 22S R 36E Sec 27

Former Name Shively A#3
 County & State Lea County, New Mexico
 API No. 30-025-09068

K.B. Elevation _____
 D.F. Elevation _____
 Ground Level 3,503'

| Surface Casing | | | | | |
|-------------------|--------|---------|--------|-------|----------------|
| Size (OD) | 8 5/8" | Weight | 32 0# | Depth | 1,479' |
| Grade | J-55 | Sx. Cmt | 500 sv | TOC @ | Surface |
| Production Casing | | | | | |
| Size (OD) | 5 1/2" | Weight | 14 0# | Depth | 3,775' |
| Grade | J-55 | Sx. Cmt | 500 sv | TOC @ | Surface |
| Production Liner | | | | | |
| Size (OD) | 3 1/2" | Weight | | Depth | 3,395 - 3,775' |
| Grade | | Sx. Cmt | 50 sv | TOC @ | 3,395' |

| Formation Record | Depth |
|------------------|--------|
| Anhydrite | 1,430' |
| T/ Salt | 1,522' |
| B/ Salt | 2,990' |
| Yates | 3,181' |
| Seven Rivers | 3,394' |
| Queen | 3,751' |



| | |
|-----------------|--------|
| Plug Back Depth | |
| Total Depth | 3,775' |