

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

OCD Hobbs

5. Lease Serial No.
NMNM0550543

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

HOBBS OCD

JAN 13 2014

RECEIVED

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
LINN OPERATING INCContact: TERRY B CALLAHAN
E-Mail: tcallahan@linenergy.com3a. Address
600 TRAVIS STREET, SUITE 5100
HOUSTON, TX 770023b. Phone No. (include area code)
Ph: 281-840-42728. Well Name and No.
TOPAZ 19 FEDERAL COM 0019. API Well No.
30-025-2256410. Field and Pool, or Exploratory
QUAIL RIDGE;MORROW(GAS)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

11. County or Parish, and State

LEA COUNTY COUNTY, NM

Sec 19 T20S R34E Mer NMP SESW 660FSL 2084FWL
32.553165 N Lat, 103.601390 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

LINN REQUESTS APPROVAL TO PLUG BACK EXISTING PERFS FROM THE QUAIL RIDGE;MORROW(GAS) POOL AND RECOMPLETE TO THE TEAS;BONE SPRING. UPGRADE EXISTING BATTERY TO ACCOMMODATE OIL AND WATER PRODUCTION.

PROCEDURES

Project Scope 1: Plug back Morrow formation with CIBP, perforate and complete Bone Spring, RTP
Project Scope 2: Upgrade and expand existing battery

Procedure 1:

1. Test anchors prior to rigging up.
2. MIRU PU and record casing and tubing pressure.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #214714 verified by the BLM Well Information System
For LINN OPERATING INC, sent to the Hobbs
Committed to AFMSS for processing by JOHNNY DICKERSON on 07/26/2013 ()

Name (Printed/Typed) TERRY B CALLAHAN

Title REG COMPLIANCE SPECIALIST III

Signature (Electronic Submission)

Date 07/24/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved By

Title

JAN 8 2014 Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

MSB/OCD 1/14/2014

JAN 14 2014

Additional data for EC transaction #214714 that would not fit on the form

32. Additional remarks, continued

3. Bleed pressure off of well.
4. ND Wellhead.
5. NU BOP.
6. TOOH with tubing.
7. PU and RIH with workstring, and bit and scraper if needed.
8. Tag bottom and check PBTD.
9. POOH with workstring and bit.
10. RIH with CIBP, set @ ~13,600.
11. Dump 35? cement on top of CIBP. — *see COA*
12. PUH to 12,200. Set balanced cement plug from 12,100 ? 12,200?. — *see COA*
13. POOH w/ tubing.
14. RU wireline.
15. Perforate on wireline 10,790? ? 10,806? @ 2 spf.
16. RIH w/ workstring and packer.
17. Spot acid over perms
18. PU to 10,700? and reverse out 10 bbls and set packer @ 10,700.
19. Acidize w/ 2,400 gals 15% HCl. Let spend for one hour.
20. Flow/Swab back load. Call engineer with results.
21. POOH w/ tubing and packer.
22. RIH and set RBP @ 10,700?.
23. POOH w/ tubing.
24. Perforate on wireline 9,576? ? 9,620? @ 2 spf.
25. RIH w/ workstring and packer.
26. Spot acid over perms.
27. PU to 9,500? and reverse 10 bbls out and set packer @ 9,500?.
28. Acidize w/ 5,460 gals 15% HCl. Let spend for one hour.
29. Flow/swab back load. Call engineer with results.
30. Unset pkr and latch onto and release RBP @ 10,700 and POOH w/ tubing.
31. ND BOP
32. NU new wellhead for rod pump.
33. RDMO PU.
34. RU Tree saver.
35. RU Frac Company, frac equipment and flow back equipment.
36. Acidize and frac Bone Spring.
37. RD frac company and frac equipment.
38. Flow back well or swab as needed to evaluate.
39. Contact engineer to discuss next steps.
40. MIRU PU.
41. RIH w/bit on tbg. to check for fill.
42. POH w/bit.
43. RIH w/ tubing and rods.
44. RDMO PU.
45. Install pumping unit.
46. RTP.

Procedure 2:

1. Expand existing facility to combine current berms surrounding oil tank and neighboring surrounding 2 phase separator
2. Replace 2 phase separator with 3 phase heater treater.
3. Install 1 additional 500 bbl oil tank and 2 new 500 bbl water tanks.

(WELLBORE DIAGRAMS AND PROCEDURES ATTACHED)

No additional surface disturbance

Topaz 19 Fed Com 1

LEA COUNTY, NM

30-025-22564

07/11/2013

Project Scope 1: Plug back Morrow formation with CIBP, perforate and complete Bone Spring, RTP

Project Scope 2: Upgrade and expand existing battery

Procedure 1:

1. Test anchors prior to rigging up.
2. MIRU PU and record casing and tubing pressure.
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24. Perforate on wireline 9,576' – 9,620' @ 2 spf.
25. RIH w/ workstring and packer.

Contact Information:

Matt Lake – Asset Engineer
Cell – 713-263-4933
Office – 281-840-4088

Bob Akin - Foreman
Cell – 575-390-8007

26. Spot acid over perfs.
27. PU to 9,500' and reverse 10 bbls out and set packer @ 9,500'.
28. Acidize w/ 5,460 gals 15% HCl. Let spend for one hour.
29. Flow/swab back load. Call engineer with results.
30. Unset pkr and latch onto and release RBP @ 10,700 and POOH w/ tubing.
31. ND BOP
32. NU new wellhead for rod pump.
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Cell – 575-390-8007

Web Name: Topaz 19 Fed Com #1

Location:	560 FSL # 7034 FWT	Location:	
Section:	M19-205-241	Lab	
Block:		Lat/Long	32.553165-92.566101 (6039097582)
Survey:		Field:	
County:		GL:	3667
		XS:	3677
		KS-GL Code	
		ct w/leg?	

Local Business Report

Date	History
12/10/1964	Standard used @ 11 am. TD 1276. Run 20' csg. set @ 1177. Csg'd w/ 450 lb cml.
12/21/1964	TD 1279. Run 13.14' csg. set @ 1319. Csg'd w/ 450 lb
12/21/1964	TD 1280. Run 2.51' csg. set @ 1307. Csg'd w/ 1675 lb
12/21/1964	TD 13.13' (deduction and directional drilling) completed as run hole
12/21/1964	Well 9543
12/21/1967	See entry. NU 802' csg. placed & plug run w/ cml 13'. Test 8019. 2.51' csg. from hard to 1002. @ 1000 PSI. Csg'd to 2278
12/21/1967	1.48' PCS & DP. PU Unit & DCS. Drilling 1410-1555
12/21/1967	Drill exit cement plug. 1410-1555
12/21/1967	See plug at 1004. "W" 12350-12310. LD 60 to 13140. set plug PU 1504. "W" 11140-11000. LD 60 to 10200.
12/21/1967	See plug at 1515. "W" 10220-10200 for electric. LD 21 to DP to 9516. This well, 10 PCS & 17 PU DP in
12/21/1967	28 degree inclination due North w/ 102' step out
12/21/1967	Run 2-1/2' csg to 11800'. PU 11. 14' csg. & wash csg to 13421'. Cml 431 csg. dir for 2nd stage.
12/21/1968	Csg 2nd stage. csg into PU test @ 13421'. PU 805'. Set dir 1004. Csg 5-1/2' csg set out 804'. NU 814. PU 814
12/21/1968	11' 10020-11016.50000. Run temp log. set & clean plug. No setting. W/O completion
11/16/1994	Subsequent log shows support filled casing well is producing 1.12 acfs of water per day.

Original
Web: b9:c Diagram

WFO Name:	Texas 19 Fed Com #1
API No:	30-025-72554
Spud Date:	5/15/1958
WFO Update:	B. Williams 6/17/2013

Hydro Sline:	75'
Surf Ebb:	10", 94% HAD
Current Blade:	450 ss etc
Depth:	177
TDC:	CHC to Surf

Slide Size:	37-1/2"
Im Case	13-5/8" (41, 54.3, 62, 68.6) 140 & 155
Cement Band:	3450 u. line
Depth:	11 7/8"
TOC:	Cur

Model Size:	13 1/2"
Int. Size:	9 1/2" (16 & 42) x 55 B 1160
Current Brand:	1075 44 c/c
Depth:	5700'
TDC:	5700'
	Est

Model Name	5.1, 6"
Product Code	5-1/2" (17.8mm), 18Q, OS, N80, C75
Capacity (Max/Min)	
General Brand	2.1mm to 2.940 in
Depth	13.828
TDG	Care

Details of Portions and Treatment

(1770-1894) Part 13, 564-13,763 treated with 100 gals of wood

Geologic Materials
DeSmet = 5630
Bona Sp. Ing. = 6264
Wicklump = 21910
Stewart = 12612
Alaska Clastic = 12892
Montana Carb. = 12130
Marble Clastics = 23600

Details of Participants and Treatment

Tubing Data	
James	Description 2 3/8" P112
Depth	11,533'

Food Order (top to bottom)	Plants	Description
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[illegible]

	Location:
Location:	660 FSL & 2084 FWL
Section:	N-19-125-24F
Block:	
Survey:	
County:	Lee
Lat/Long:	32.5531652922566 -103.601390977387
Field:	
	Elevations:
GL:	3162'
KB:	3577'
KB-GL Calc:	
ch w/Log?	

Diagram of a wellbore with various annotations and measurements:

- 20" Surf csg set @ 177'
- 13-5/8" csg set @ 3138'
- TOC @ ~3400'
- 9-5/8" csg set @ 5700'
- 0.576 - 0.810'
- 12.790 - 10.824'
- Crit plug 12,100 - 12,200'
- Directional Sidetrack @ ~12,200' (11/1997)
- CNP @ 13,600 w/ 35'
- 13,600-13,703'
- 5-1/2" prod csg @ 13,825'
- TD: 14,100'
- MDTD: 13,794'

Male Size:	8-3/4"
Prod. Cap:	5-1/2" (x7 & 20#), L80, A55, W60, C75
Capacity (tub/H):	
Current Draw:	2 stages @ 940 ps
Depth:	53,820'
TDC:	Clear

Geologic Markers
Delaware = 5615
Zone Spring = 8584
Wafacans = 12510
Strawn = 12511
Alpena Clastic = 12820
Morrow Carb. = 13130
Morrow Clastics = 13400

Tubing Detail	
Joint #	Description
	2-3/4" P110
Depth	

[illegible]

Conditions of Approval

Linn Operating Inc

Topaz Com - 01

API 3002522564, T20S-R34E, Sec 19

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
2. The communization agreement for this well (NM100722) does not include the Bone Spring pay. Amendments to that agreement may be necessary.
3. A new "Well Location and Acreage Dedication Plat" (NMOCD Form C-102) is required with the notice of intent package when opening another pay zone.
4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
5. Subject to like approval by the New Mexico Oil Conservation Division.
6. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 13600 or below to top of cement. The CBL may be attached to a pswartz@blm.gov email. The CFO BLM on call engineer may be reached at 575-706-2779.**
7. Notify BLM 575-393-3612 as work begins. Some procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
8. **Surface disturbance beyond the existing pad must have prior approval.**
9. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
10. Functional H₂S monitoring equipment shall be on location.
11. 5000 (5M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
12. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

13. The BLM PET witness is to run tbg tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4'hrs for C and 8 hrs for H recommended) as requested by BLM PET witness.
14. **Step 11 of procedure – set a class H cmt plug (± 60 sx) to cover from the CIBP at 13600 to a minimum of 50 feet above the Morrow formation top of 13130. Tag the plug.**
15. **Step 12 of procedure – The Wolfcamp formation top is shown at 11,510 measured depth on the completion report. Set a minimum 25sx class H cmt plug to cover from 11, 560 or below to above 11,340. Tag the plug.**
16. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. The minimum pumped volume of 25 sacks of cement slurry is to exceed a 100ft cement plug across the drilled wellbore. Add 10% to the 100ft slurry volume for each 1000ft of plug depth. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 15.6#/gal, 1.18ft³/sx, 5.2gal/sx water.
17. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
18. **After setting the top plug and before perforating, perform a BLM PET witnessed (charted) casing integrity test of 1500 psig. Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.**
19. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry. File the subsequent sundry for the frac separately if it is delayed as much as 20 days.
20. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
21. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in **paying quantities** or of service use.

22. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 05/02/2014.
23. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

CRW/PRS 010813

Access information for **use of Form 3160-5** "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.