

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OCD Artesia

FORM 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.*

5. Lease Serial No.  
NMNM27276

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
MCCLAY 11

9. API Well No.  
30-015-23014-00-S1

10. Field and Pool, or Exploratory  
QUEEN

11. County or Parish, and State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
LINN OPERATING INCORPORATED  
Contact: DEBI GORDON  
E-Mail: DGORDON@LINNENERGY.COM

3a. Address  
600 TRAVIS STREET SUITE 5100  
HOUSTON, TX 77002

3b. Phone No. (include area code)  
Ph: 281-840-4010  
Fx: 832-209-4340

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 33 T18S R30E NESW 2260FSL 1730FWL

**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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplete 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 recompletion 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 IS RESPECTFULLY SUBMITTING A REQUEST TO PLUG AND ABANDON THE SUBJECT WELL WHICH HAS BEEN DOWN SINCE JUNE 2014. PRIOR TO GOING OFFLINE, THE 2013-2014 OIL PRODUCTION RATES AVERAGED LESS THAN 1 BOPD. PLUG AND ABANDON OPERATIONS ARE RECOMMENDED AS THIS WELL HAS NO FUTURE UTILITY IN THE CURRENT ECONOMIC ENVIRONMENT.

PLEASE SEE ATTACHED PROPOSED PLUG AND ABANDONMENT PROCEDURE.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL  
"See Charges"

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

Electronic Submission #348329 verified by the BLM Well Information System  
For LINN OPERATING INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by JAMES AMOS on 08/19/2016 (16JA0122SE)

Name (Printed/Typed) DEBI GORDON Title REGULATORY MANAGER

Signature (Electronic Submission) Date 08/18/2016

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
AUG 29 2016  
**RECEIVED**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By James A. Amos Title SPET Date 8-19-16

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 CPD

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.

McClay Federal #11 – Eddy County, NM

Proposed Plug & Abandonment Procedure

1. Set CIBP @ 2785'. Circulate hole w/mud laden fluid.
2. Spot 25 sx cement @ 2785' – 2545'. *Add Plug across DVT @ 2050, From 2105-1995.*
3. Perf & sqz 25 sx @ 1575' 1475'. WOC & tag. *WOC Tag*
4. Perf & sqz 25 sx @ 715' – ~~615'~~. WOC & tag. *580*
5. Perf & sqz 45 sx @ 200' – surface.
6. Cut off wellhead and weld on below ground level dry hole marker.



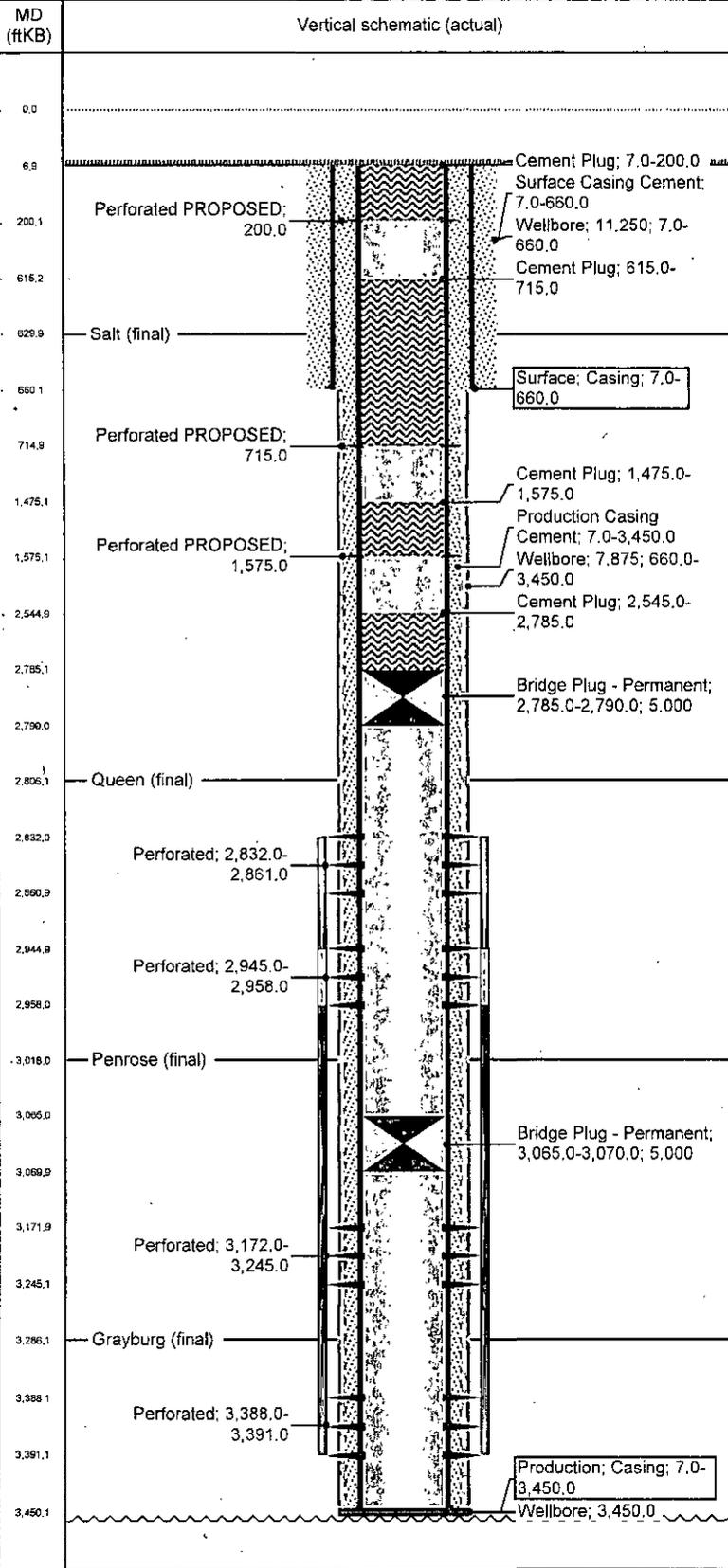
# NM Schematic

Well Name: MCCLAY FEDERAL 11

API/UVI 3001523014	Field Name RBNM 2, P2E, NORTH BENSON	County Eddy	State/Province NM	Section 33	Township 018-S	Range 030-E	Survey	Block
Ground Elevation (ft) 3,468.00	Orig KB Elev (ft) 3,475.00	KB-Grd (ft) 7.00	Initial Spud Date 9/28/1979	Rig Release Date	TD Date 10/10/1979	Latitude (°) 32°42'9.786"N	Longitude (°) 103°58'47.445"W	Operated? Yes

Original Hole, 8/9/2016 11:04:33 AM

### Original Hole Data



<b>Wellbores</b>						
North-South Distance (ft) 2,260.0	NS Flag FSL					
East-West Distance (ft) 1,730.0	EW Flag FWL					
<b>Casing Strings</b>						
Csg Des Surface	Set Dept. 660.0	OD Nom. 8 5/8	ID Nom. 8.097	W/Len (L.) 24.00	String Grade J-55	Run Date 9/28/1979
Csg Des Production	Set Dept. 3,450.0	OD Nom. 5 1/2	ID Nom. 5.012	W/Len (L.) 14.00	String Grade J-55	Run Date 9/28/1979
<b>Cement Stages</b>						
Description Cement Plug	Top (ftKB) 2,545.0	Btm (ftKB) 2,785.0	Eval Method	Comment PROPOSED: Cap CIBP w 25 sks cmt.		
Description Cement Plug	Top (ftKB) 1,475.0	Btm (ftKB) 1,575.0	Eval Method	Comment PROPOSED: Perf & Sqz 25 sks cmt, Tag TOC.		
Description Cement Plug	Top (ftKB) 615.0	Btm (ftKB) 715.0	Eval Method	Comment PROPOSED: Perf & Sqz 25 sks cmt, Tag TOC.		
Description Cement Plug	Top (ftKB) 7.0	Btm (ftKB) 200.0	Eval Method	Comment PROPOSED: Perf & Sqz 45 sks cmt, Circ to surface.		
Description Production Casing Cement	Top (ftKB) 7.0	Btm (ftKB) 3,450.0	Eval Method	Comment two stage cmt job- stage 1, 2069" 325 sxs cmt 50-50 pos. 2% Cal. ch. 1/4 lb. Cello flakes- stage 2, (after 6 hrs. shut down) 875 sxs 50-50 lite. cmt circ'd.		
Description Surface Casing Cement	Top (ftKB) 7.0	Btm (ftKB) 660.0	Eval Method	Comment Cmt'd w/ 325 sxs class C + 75 sxs cal. ch. cement'd 1" pipe outside pipr w/ 550 sxs class C + 22 sxs. cal. ch.		

Tubing Strings			
Tubing Description	Set Depth...	Run Date	Pull Date

Perforations		
Top (ftKB)	Btm (ftKB)	Comment
200.0	200.0	
715.0	715.0	
1,575.0	1,575.0	
2,832.0	2,861.0	
2,945.0	2,958.0	
3,172.0	3,245.0	
3,388.0	3,391.0	

Other In Hole				
Des	Top (ftKB)	Btm (ftKB)	Run Date	Com
Bridge Plug - Permanent	3,065.0	3,070.0		
Bridge Plug - Permanent	2,785.0	2,790.0		PROPOSED: Set CIBP and cap with 25 sks cmt.

Formations			
Formation	Final Top	Final Btm	Comment
Salt	630.0	1,510.0	
Queen	2,806.0		
Penrose	3,018.0		
Grayburg	3,286.0		



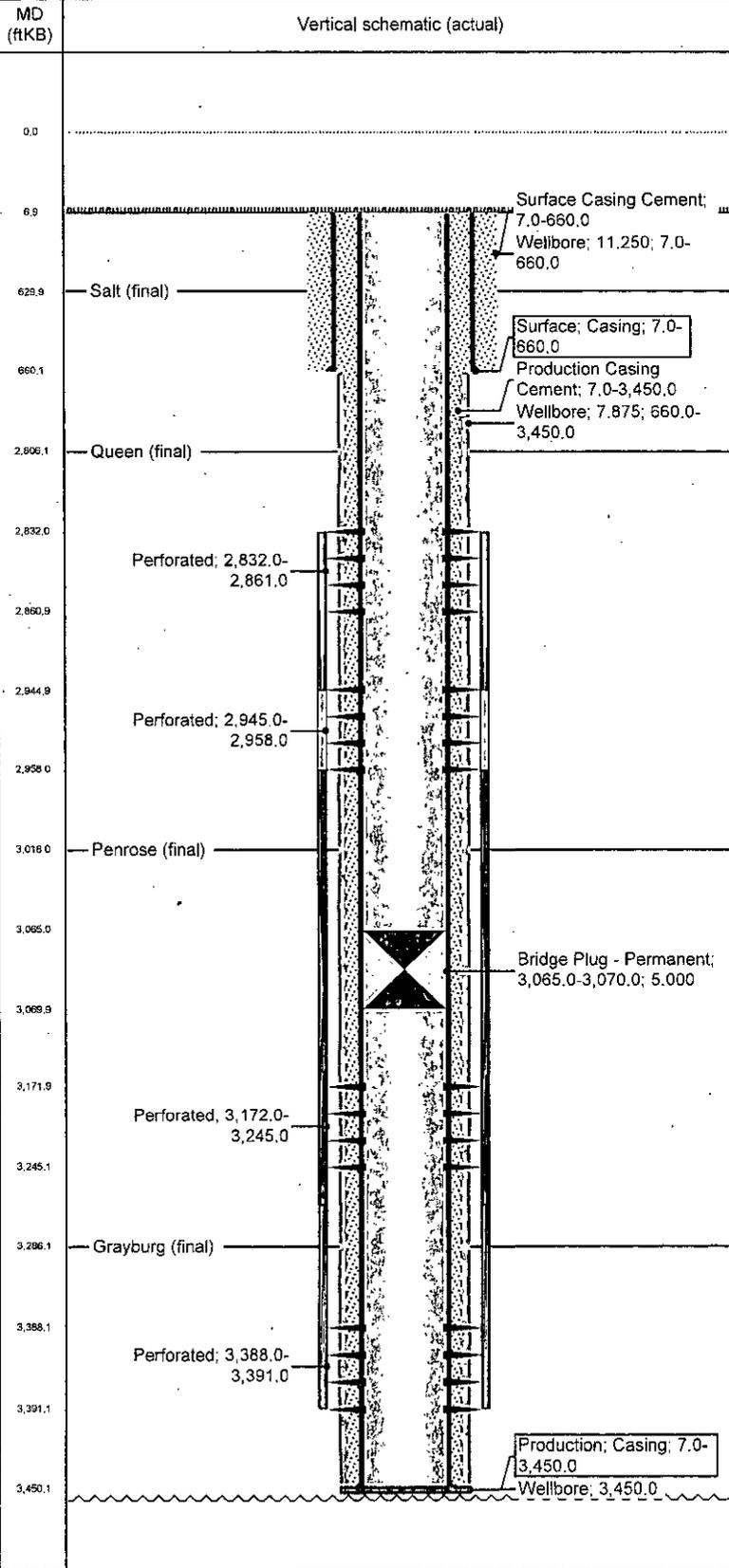
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Original Hole, 8/2/2016 1:22:26 PM

### Original Hole Data



<b>Wellbores</b>						
North-South Distance (ft) 2,260.0	NS Flag FSL	East-West Distance (ft) 1,730.0	EW Flag FWL			
<b>Casing Strings</b>						
Csg Des Surface	Set Dept. 660.0	OD Nom. 8 5/8	ID Nom. 8.097	W/Len (ft) 24.00	String Grade J-55	Run Date 9/28/1979
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<b>Tubing Strings</b>						
Tubing Description	Set Depth...	Run Date	Pull Date			
<b>Perforations</b>						
Top (ftKB) 2,832.0	Btm (ftKB) 2,861.0	Comment				
Top (ftKB) 2,945.0	Btm (ftKB) 2,958.0	Comment				
Top (ftKB) 3,172.0	Btm (ftKB) 3,245.0	Comment				
Top (ftKB) 3,388.0	Btm (ftKB) 3,391.0	Comment				
<b>Other In Hole</b>						
Des... Bridge Plug - Permanent	Top (ftKB) 3,065.0	Btm (ftKB) 3,070.0	Run Date... Com...			
<b>Formations</b>						
Formation Salt	Final Top... 630.0	Final Btm... 1,510.0	Comment			
Formation Queen	Final Top... 2,806.0	Final Btm...	Comment			
Formation Penrose	Final Top... 3,018.0	Final Btm...	Comment			
Formation Grayburg	Final Top... 3,286.0	Final Btm...	Comment			

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

**The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.