New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Bill Brancard Acting Cabinet Secretary

Daniel Sanchez Acting Division Director Oil Conservation Division



03-Jan-11

LINN OPERATING, INC. 600 TRAVIS SUITE 5100 HOUSTON TX 77002

Dear Operator:

Mailed: 1/5/11 22

LETTER OF VIOLATION - Inspection

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

TURNER B No.031

Inspection

Type Inspection

Date 01/03/2011

Routine/Periodic

Comments on Inspection:

Inspector

Kimberly Wilson

Violation? Yes

P-17-17S-31E

O-17-17S-31E

*Significant Non-Compliance?

30-015-05190-00-00 Corrective Action Due By:

4/4/2011

Inspection No. iKMW110034534

Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later

than April 4, 2011 for approval.

TURNER B No.032

Inspection Type Inspection Date 01/03/2011

Routine/Periodic Comments on Inspection:

Inspector Kimberly Wilson Violation? Yes

*Significant Non-Compliance? No

30-015-05191-00-00 Corrective Action Due By:

30-015-05193-00-00

4/4/2011

Inspection No. iKMW110034499

Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later

than April 4, 2011 for approval.

TURNER B No.037 Inspection

Comments on Inspection:

Date

01/03/2011

Type Inspection

Routine/Periodic

Inspector

Violation? Kimberly Wilson Yes

*Significant Non-Compliance? No

M-17-17S-31E

Corrective 4/4/2011

Action Due By: Inspection No. iKMW110034454

Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later

than April 4, 2011 for approval.

Oil Conservation Division 1301 W. Grand Avenue • Artesia, New Mexico 88210 Phone (575)748-1283 • Fax (575) 748-9720 • www.emnrd.state.nm.us/OCD



TURNER B No.040 L-17-17S-31E 30-015-05194-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Date Inspector Violation? Non-Compliance? Action Due By: iKMW1100344409 4/4/2011 01/03/2011 Routine/Periodic Kimberly Wilson Yes Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER A No.032** J-18-17S-31E 30-015-05230-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Action Due By: Non-Compliance? iKMW1100356205 01/03/2011 Routine/Periodic Kimberly Wilson 4/4/2011 Yes No Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER A No.034** L-18-17S-31E 30-015-05232-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 01/03/2011 Routine/Periodic Kimberly Wilson No 4/4/2011 iKMW1100356137 Yes Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER A No.024** C-19-17S-31E 30-015-05275-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iKMW1100355991 01/03/2011 Routine/Periodic Kimberly Wilson No 4/4/2011 Yes Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER B No.018** J-20-17S-31E 30-015-05290-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Kimberly Wilson iKMW1100346741 01/03/2011 Routine/Periodic No 4/4/2011 Yes Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. TURNER B No.033 A-20-17S-31E 30-015-05305-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 01/03/2011 Routine/Periodic Kimberly Wilson 4/4/2011 iKMW1100345819 Yes No Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER B No.034** H-20-17S-31E 30-015-05306-00-00 *Significant Inspection Corrective Type Inspection Inspector Inspection No. Date Violation? Non-Compliance? Action Due By: Routine/Periodic 01/03/2011 Kimberly Wilson No 4/4/2011 iKMW1100346356 Yes Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. 30-015-05308-00-00 **TURNER B No.038** C-20-17S-31E *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 01/03/2011 Routine/Periodic Kimberly Wilson Yes No 4/4/2011 iKMW1100356718 Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use. TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval.

TURNER B No.039 G-20-17S-31E 30-015-05309-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Action Due By: Date Non-Compliance? 4/4/2011 iKMW1100346562 01/03/2011 Routine/Periodic Kimberly Wilson Yes No Comments on Inspection: Idle well, 217 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. MAX FRIESS MA No.005 A-30-17S-31E 30-015-26656-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iKMW1100355854 01/03/2011 Routine/Periodic Kimberly Wilson 4/4/2011 Yes No Comments on Inspection: Idle well, 77 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval. **TURNER A No.052** I-18-17S-31E 30-015-28795-00-00 Inspection *Significant Corrective

Violation?

Yes

Non-Compliance?

No

Inspection No.

iKMW1100343721

Action Due By:

4/4/2011

01/03/2011 Routine/Periodic Kimberly Wilson Comments on Inspection: Idle well, 136 months with no production. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than April 4, 2011 for approval.

Inspector

M. Welson

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

Date

Artesia OCD District Office

Type Inspection

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. *Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.