

District I
1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II
811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV
1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised August 1, 2011

Permit

HOBBS OCD

OCT 21 2011

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address LINN OPERATING, INC 600 TRAVIS, SUITE 5100 HOUSTON, TEXAS 77002		² OGRID Number 269324 ✓
⁴ Property Code 309540	³ Property Name EAST HOBBS SAN ANDRES UNIT	³ API Number 30-D25-40322 ⁶ Well No 305

⁷ Surface Location

UL - Lot K	Section 30	Township 18S	Range 39E	Lot Idn	Feet from 2450'	N/S Line SOUTH	Feet From 2430'	E/W Line EAST	County LEA
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⁸ Pool Information

HOBBS, SAN ANDRES, EAST	32300
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type OIL	¹¹ Cable/Rotary ROTARY	¹² Lease Type PRIVATE	¹³ Ground Level Elevation 3605'
¹⁴ Multiple NO	¹⁵ Proposed Depth 4800'	¹⁶ Formation SAN ANDRES P4	¹⁷ Contractor CAVALOS RIG #3	¹⁸ Spud Date LATE OCTOBER
Depth to Ground water 50'		Distance from nearest fresh water well 3700'		Distance to nearest surface water 3620'

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
I55 LTC	12-1/4	8-5/8	24#/32#	1900'	960	SURFACE
I558RLT	7-7/8	5-1/2	15.5#	4700'	650	SURFACE

Casing/Cement Program: Additional Comments

MIRU ROTARY DRILLING RIG DRILL 12-1/4" HOLE TO TOP OF ANHYDRITE @ 1900' USING FRESHWATER/SPUD MUD RUN 8-5/8" CASING AND CEMENT TO SURFACE DRILL 7-7/8" HOLE TO 4800' USING 10# BRINE OBTAIN OPEN HOLE LOGS RUN 5-1/2" 15.5# CASING TO 4700' AND CEMENT TO SURFACE

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DOUBLE	2000 PSI	3000 PSI	CAMERON

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: NANCY FITZWATER <i>Nancy Fitzwater</i>		Approved By: <i>[Signature]</i>	
Title: REGULATORY COMPLIANCE ADVISOR		Title: PETROLEUM ENGINEER	
E-mail Address: nfitzwat@linnenergy.com		Approved Date: NOV 04 2011 Expiration Date: 11/04/13	
Date: 10/18/11	Phone: 281/840-4266	Conditions of Approval Attached	

Permit Expires 2 Years From Approval Date Unless Drilling Underway

NOV 08 2011

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State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-102
 Revised August 1, 2011
 Submit one copy to appropriate
 District Office

OCT 21 2011

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION

¹ API Number	² Pool Code 32300	³ Pool Name Hobbs San Andres East
⁴ Property Code 309540	⁵ Property Name East Hobbs E. (San Andres) Unit	⁶ Well Number 305
⁷ OGRID No. 269324	⁸ Operator Name LINN OPERATING INC.	⁹ Elevation 3605'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	18-S	39-E		2450'	SOUTH	2430'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>GEODETIC COORDINATES NAD 27 NME 3001 Y= 627118.1 N X= 884403.9 E LAT.= 32.717814° N LONG.= 103 083506° W</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Nancy Fitzwater</i> Date: <i>10/18/11</i> Printed Name: <i>Nancy Fitzwater</i> E-mail Address: <i>nfitzwater@linnenergy.com</i></p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 6, 2011 Date of Survey Signature and Seal of Professional Surveyor: <i>Jeffrey E. Hudson</i> Certificate Number: <i>20559</i></p>	