

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-29525
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name MEDANO STATE
8. Well Number: 002
9. OGRID Number 269324
10. Pool name or Wildcat LIVINGSTON RIDGE; DELAWARE

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 Other

2. Name of Operator
LINN OPERATING, INC.

3. Address of Operator
600 TRAVIS, SUITE 5100, HOUSTON, TEXAS 77002

4. Well Location
 Unit Letter N: 660 feet from the S line and 1980 feet from the W line
 Section 36 Township 22S Range 31E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3460' GR

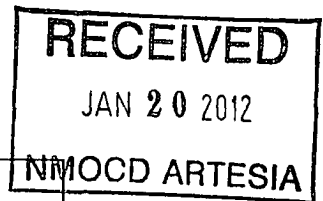
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: AMENDED TA PROCEDURES <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

LINN moved onto the Medano State # 2 to TA the wellbore by setting a CIBP at 6500' and capping it with 10' of cement. The well failed the MIT after the CIBP and 10' of cement was set. LINN isolated the casing leak from 5230-5368' and then contact the NM OCD district office to notify the OCD of the scope change. LINN proposes to modify the TA procedure by spotting 25sx of cement on top of the CIBP @ 6500', and then setting a CICR at ~5200' and squeezing off the leak through the CICR with ~100sx of cement.

AMENDED PROPOSED T&A PROCEDURES ARE ATTACHED



Spud Date:

Rig Release Date:

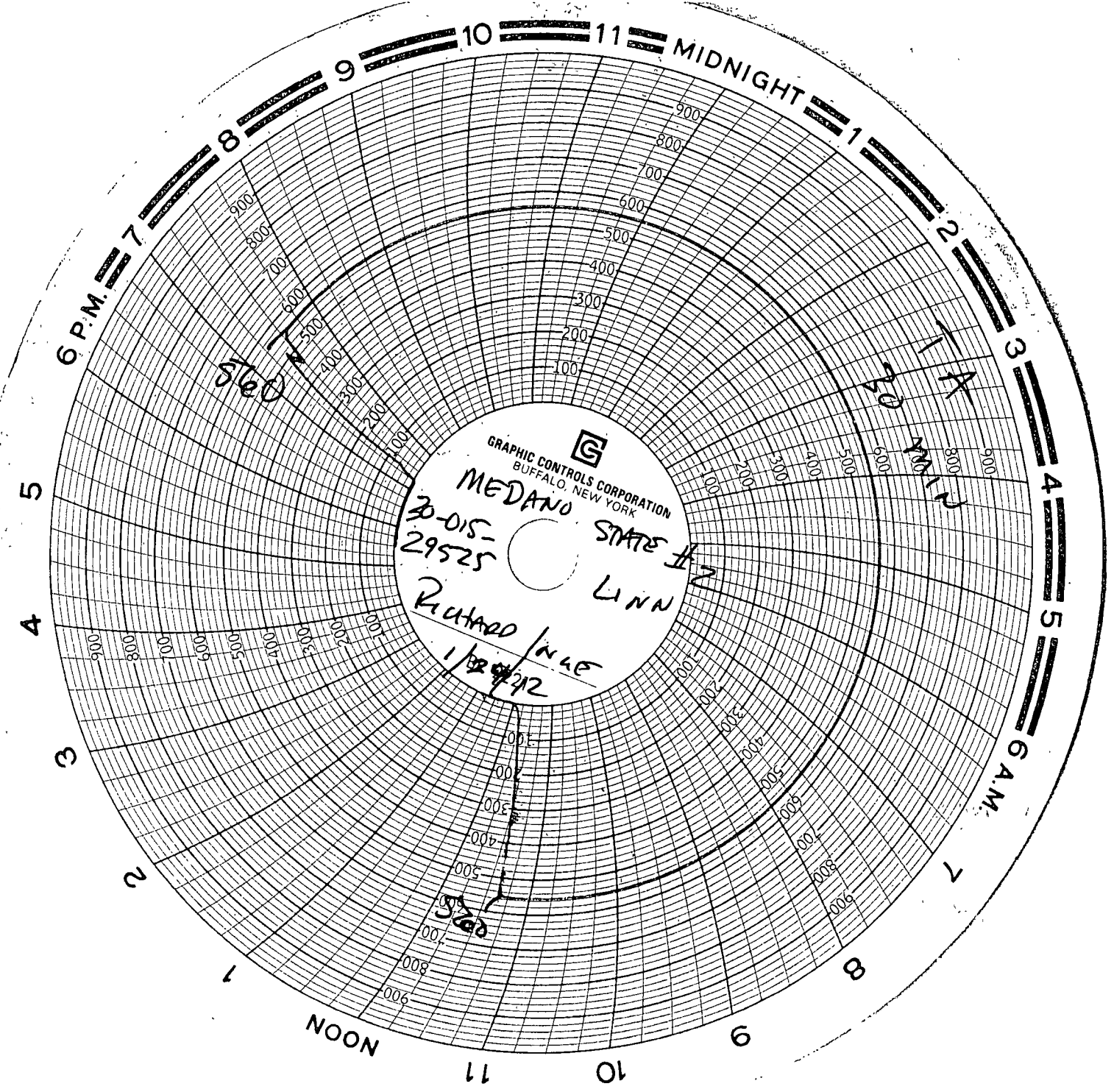
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Terry Callahan TITLE: REGULATORY SPECIALIST III DATE JANUARY 11, 2012

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

For State Use Only

APPROVED BY: Rubén / NUCB TITLE COMPLIANCE OFFICER DATE 1/23/12
 Conditions of Approval (if any):



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
MEDANO STATE #2
LINN
RICHARD / NLE
1/24/72

30-015-29525

MEDANO STATE #2
AMENDED PROPOSED P&A PROCEDURES
ITEM #13 FROM C-103 NOI

P&A Procedure

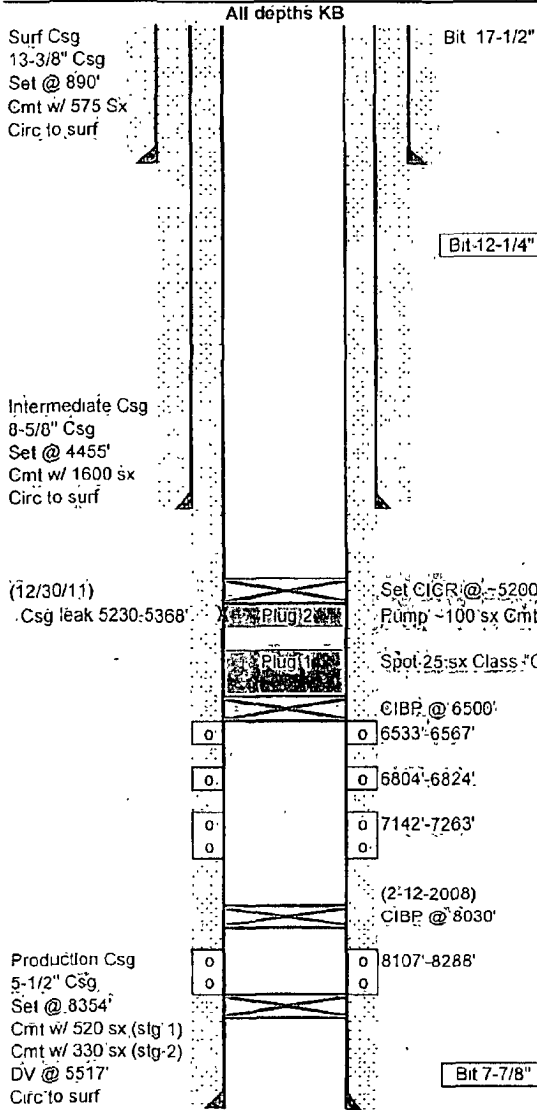
1. Spot 25 sx of Class "C" cement on top of CIBP (estimated TOC will be @ 6254').
WOC 4 hours and tag TOC no lower than 6340'.
2. Pick up cement retainer and TIH and set @ ~5200'. Establish injection rate and pump ~100 sx of Class "C" cement under retainer.
*If the squeeze fails to pressure up while pumping the 100sx continue pumping and overdisplace the cement so that a second squeeze can be conducted through the CICR.
3. Sting out of retainer and pull tubing up 33 jts.
4. Conduct mock MIT on casing to 500 PSI.
5. If casing passes mock MIT, then TIH to top of retainer and circulate packer fluid.
6. TOOH with tubing and leave 1 joint for kill string.
7. Notify the foreman that the well is ready for a witnessed MIT.
8. RDMO.

Revised TA - Wellbore Schematic

Well Name: Medano State # 2
 Location: N-36-22S-31E 660 FSL 1980 FWL
Eddy County, NM
 API #: 30-015-29525

Elevations: GROUND: 3460'
 KB: 3476'
 Depths (KB): PBTD: 8310'
 TD: 8355'

Date Prepared: 10-Jan-11 D Gonzales
 Last Updated: 11-Jan-12 D Gonzales
 Spud Date: 27-May-97
 RR Date: _____
 Spud Date to RR Date: _____
 Completion Start Date: _____
 Completion End Date: _____
 Completion Total Days: _____
 Co-ordinates: _____



Surface Casing	
13-3/8", 48# Set @ 890'	
Cmt w/ 575 sx of Class C, circulated to surface	
Intermediate Casing:	
8-5/8", 45.5#, Set @ 4455'	
Cmt w/ 1600 sx of Class C, circulated to surface	
Production Casing:	
5-1/2" of 17# and 15#, set @ 8355'	
Cmt with 520 sx of Class C (Stage 1)	
Cmt with 330 sx of Class C (Stage 2)	
Cement Circulated to surface	
DV tool set @ 5517'	
Tubing: (Data from tally)	
	Length (ft)
(218) Jts of 2-7/8" Tbg	6867.00
(1) TAC	1
(1) SN	1.00
(1) 20' Calvins Sand Screen	20
(2) Jts of 2-7/8" Tubing	63
(1) 2-7/8" Mud Joint	31.5
	Tubing Set @ ~ 6983.50
Rods: (Data from)	
	Length (ft)
(1) 26' x 1-1/2" PR w/ PR Liner	26.00
(119) 1.2" Fiberglass Rods	4248.30
(92) 1" Rods	2300.00
(10) 1.5" K-Bars	250.00
(1) 4' x 1" Pony	4.00
(1) 8" x 1" Shear Tool	0.75
(2) 4' x 1" Pony's	8
(1) 2.5 x 1-3/4" x 26' Pump	26
	(Rod Length for FG is not available) 6863.05
Perforations:	
(1/1/1998)	
6533'-6567' (No Stimulation Data or SPF Data)	
6804'-6824' (No Stimulation Data or SPF Data)	
(8/27/1997)	
7142'-7263' (1SPF) 22 holes Acidize w/ 2000 Gal 15% HCl	
Frac w/ 42,000 Gal VIK 1-30 and 136,000# Sand	
(6/18/1997)	
8124'-8288' (24 holes) Frac'd w/ 57,000 Gal of 10# SLINTE Gel and 220,000# Sand	
8107'-8286	