

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. 30-015-05412
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name LEA D
8. Well Number: 002
9. OGRID Number 269324
10. Pool name or Wildcat GRAYBURG JACKSON;SR-Q-G-SA

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 INJECTION

2. Name of Operator  
LINN OPERATING, INC.

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

4. Well Location

Unit Letter A: 710 feet from the N line and 660 feet from the E line  
Section 26 Township 17S Range 31E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3855' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: **Convert from an Injector to a Producer** ☒

OTHER: ☐

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 proposes to convert the Lea D 2 from an injector to a producer. We propose to MIRU and RIH and tag CIBP @ 3238' and dump bail 35' of cement on top of BP. RIH and tag cement @ ~3203'. Insure hole is full of fluid and run neutron log on well to include interval of 2340'-2555' (Grayburg Jackson SR-QN-GB-SA Pool (Poole code 28509), plan is to run log from 3000' to surface). Once log is complete perforate within the interval of 2340'-2555' based off of information obtained from logging. Acidize new perforations and swab test well. RIH with tubing, pump and rods and set pumping unit and place on production.

*Cannot produce until in compliance with Rule 5.9*

Spud Date: <input type="text"/>	Rig Release Date: <input type="text"/>	RECEIVED JUN 21 2012 NMOC D ARTESIA
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I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE T. Callahan

TITLE: REGULATORY SPECIALIST III

DATE JUNE 20, 2012

Type or print name TERRY B. CALLAHAN

E-mail address: tcallahan@linenergy.com

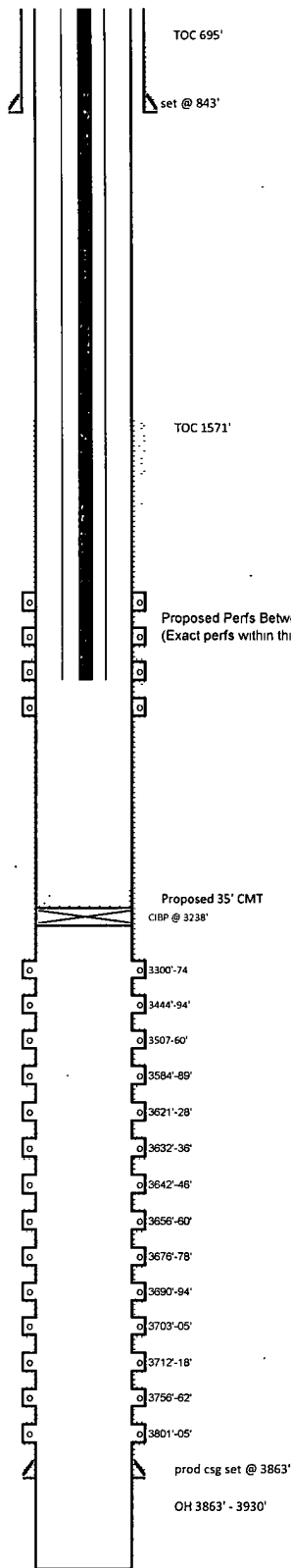
PHONE: 281-840-4272

For State Use Only

APPROVED BY: T. C. Shepard TITLE: Geologist DATE: 6/22/2012  
Conditions of Approval (if any):

	<b>Location:</b>		
Footage	A26-17S-31E	710 FNL	660 FEL
Section.	26		
Block*			
Survey			
County	Eddy		
Lat/Long.			
Field	Grayburg Jackson		
		<b>Elevations</b>	
GL	3850'		
KB			
KB-GL Calc ck w/log?			

**Proposed**  
**Wellbore Diagram**



Hole Size:	N/A
Int Csg:	
Cement Blend:	
Returns:	
TOC:	

Upper Jackson	3863'-3930' open hole
Vacuum	3690'-94', 3704'-05', 3712'-18', 3756'-62', 3801'-05' (4 SPF)
Grayburg	3300', 12', 41', 55', 64', 74', 3444', 56', 66', 86', 94' 3507', 16', 38', 49', 60' (1 SPF) 3584'-89', 3621'-28', 3632'-36', 3642'-46', 3656'-60', 3676'-79' (4 SPF)

Rod Detail (top to bottom)	
Rods	Description
102	rods and pump TBD Proposed

Hole Size.	8"
<u>Prod Csg.</u>	5-1/2" OD 15 5# J-55 set @ 3863'
Capacity (bbl/ft):	
Cement Blend.	Cmt'ed w/ 385 g/s cmt
Returns	TOC 1571'

### Tail Cement Blend

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-05412</b>		<sup>2</sup> Pool Code <b>28509</b>		<sup>3</sup> Pool Name <b>Grayburg Jackson SR-QN-GB-SA</b>	
<sup>4</sup> Property Code <b>309547</b>		<sup>5</sup> Property Name <b>Lea D</b>			<sup>6</sup> Well Number <b>002</b>
<sup>7</sup> OGRID No. <b>269234</b>		<sup>8</sup> Operator Name <b>LINN Operating, Inc.</b>			<sup>9</sup> Elevation <b>3,855</b>

<sup>10</sup> Surface Location

UL or lot no. <b>A</b>	Section <b>26</b>	Township <b>17S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>710</b>	North/South line <b>North</b>	Feet from the <b>660</b>	East/West line <b>East</b>	County <b>Eddy</b>
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<sup>11</sup> 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
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<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup> 	SECTION 26		<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division  Signature Date <b>Terry B. Callahan</b> Printed Name <b>tcallahan@linnenergy.com</b> E-mail Address
			<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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.
			Date of Survey Signature and Seal of Professional Surveyor
			Certificate Number

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128  
Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

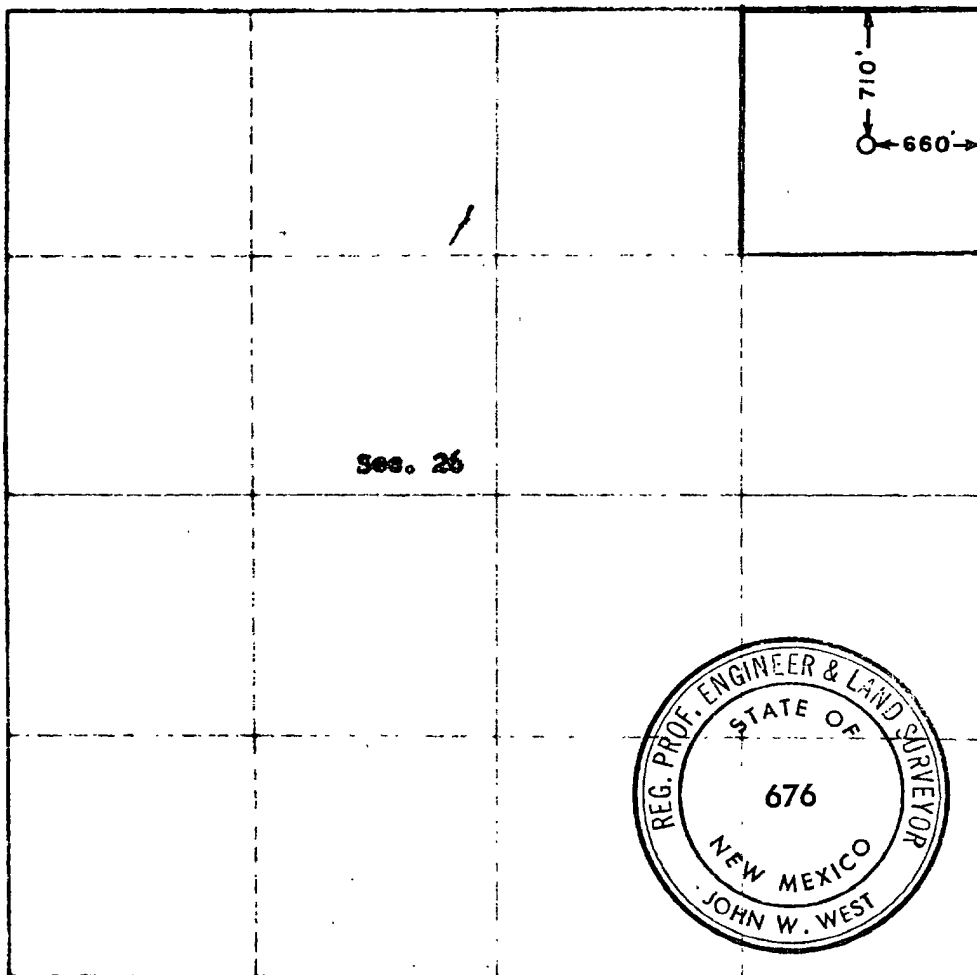
SECTION A

Operator <b>Skelly</b>		Lease <b>Lea "D"</b>		Well No. <b>2</b>
Unit Letter <b>A</b>	Section <b>26</b>	Township <b>17 S</b>	Range <b>31 E</b>	County <b>Eddy</b>
Actual Footage Location of Well <b>710</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>East</b> line				
Ground Level Elev.	Producing Formation <b>San Andres</b>	Pool <b>Grayburg - Jackson</b>	Dedicated Acreage <b>10</b> Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ☐ ("Owner" means the person who has the right to drill into and to produce from any well and to appropriate the production, either for himself or for himself and another - 105-3, 29 (ex. N.M.S. 1955) Comp.
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ☐ NO ☐ If answer is "yes," Type of consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below \_\_\_\_\_

Owner	Land Description

SECTION B



CERTIFICATION

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

Name <b>J. A. Skelly</b>
Position <b>Dist. Supt.</b>
Company <b>Skelly Oil Company</b>
Date <b>July 13, 1960</b>

I hereby certify that the well location shown on the plat in SECTION B 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 knowledge and belief.

Date Surveyed <b>July 11, 1960</b>
Registered Professional Engineer and/or Land Surveyor, <b>JOHN W. WEST</b>
Certificate No. <b>N.M. - P.E. &amp; L.S. NO. 676</b>

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0