State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

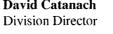
Governor

Ken McQueen Cabinet Secretary

Matthias Saver

Deputy Cabinet Secretary

David Catanach





Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

01-Aug-17

LINN OPERATING, INC.

600 Travis Street Suite 1400 Houston TX 77002-7002

LETTER OF VIOLATION - Inspection

Dear Operator:

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.

SKELLY UNIT No.018					D-15-17S-31E	30-015-05154-00-00	
Inspection Date	Type Inspection	I	nspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/01/2017	Routine/Period	ic T	Tony Morales	Yes	No	11/4/2017	iTM1721347008
	Violations					•	
	General Housekeeping (Rule 114)						
Comments	on Inspection:	OK. All Equipmen LOCATION 19.15		Good Shape.	CONTAMINATED	MATERIAL ON	
SKELLY UNIT No.189					L-15-17S-31E 30-015-29206-00-00		
Inspection			nspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
Date	Type Inspection	1	nspector	violation:	Non-Comphance:	Action Due By:	inspection 110.
•	Type Inspection Routine/Period		Tony Morales	Yes	No No	11/4/2017	iTM1721342743
Date			•		-	•	•
Date	Routine/Period	lic 7	•		-	•	•
Date 08/01/2017	Routine/Period Violations General Housekee	lic 7	Γony Morales	Yes	No	•	iTM1721342743

INSPECTION DETAIL SECTION

SKELLY UNIT No.191 J-15-17S-31E 30-015-29312-00-00

Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/01/2017 Routine/Periodic Tony Morales Yes No 11/4/2017 iTM1721336948

Violations

General Housekeeping (Rule 114)

Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD.

19,15,35,7B

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.

Sincerely,

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.