

**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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101  
August 1, 2011  
Permit 173778

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

|  |                             |                               |
|--|-----------------------------|-------------------------------|
| 1. Operator Name and Address<br>LINN OPERATING, INC.<br>600 Travis Street<br>Houston, TX 77002 |                             | 2. OGRID Number<br>269324     |
|  |                             | 3. API Number<br>30-015-41713 |
| 4. Property Code<br>309561   | 5. Property Name<br>STATE A | 6. Well No.<br>609            |

**7. Surface Location**

|               |               |                 |              |              |                   |               |                   |               |                |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|
| UL - Lot<br>K | Section<br>16 | Township<br>17S | Range<br>31E | Lot Idn<br>K | Feet From<br>2367 | N/S Line<br>S | Feet From<br>2451 | E/W Line<br>W | County<br>Eddy |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|

**8. Proposed Bottom Hole Location**

|               |               |                 |              |              |                   |               |                   |               |                |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|
| UL - Lot<br>K | Section<br>16 | Township<br>17S | Range<br>31E | Lot Idn<br>K | Feet From<br>2367 | N/S Line<br>S | Feet From<br>2451 | E/W Line<br>W | County<br>Eddy |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|

**9. Pool Information**

|                            |       |
|----------------------------|-------|
| GRAYBURG JACKSON;SR-Q-G-SA | 28509 |
|----------------------------|-------|

**Additional Well Information**

|                           |                            |  |                         |                                    |
|---------------------------|----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL       | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3804 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>5000 | 18. Formation<br>Grayburg              | 19. Contractor          | 20. Spud Date<br>11/15/2013        |
| Depth to Ground water     |                            | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25     | 8.625       | 24               | 371           | 240             | 0             |
| Prod | 7.875     | 5.5         | 15.5             | 5000          | 660             | 0             |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 2000             | 3000          | Cameron      |

|  |   |
|--|---|
| <p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br/>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by Nancy Fitzwater</p> <p>Title: Regulatory Compliance Supervisor</p> <p>Email Address: nfitzwater@linnenergy.com</p> <p>Date: 9/25/2013</p> <p>Phone: 281-840-4266</p> | <p><b>OIL CONSERVATION DIVISION</b></p> <p>Approved By: Randy Dade</p> <p>Title: District Supervisor</p> <p>Approved Date: 9/27/2013</p> <p>Expiration Date: 9/27/2015</p> <p>Conditions of Approval Attached</p> |
|--|---|

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**Santa Fe, NM 87505**

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |  |  |
|-------------------------------|--|--|
| 1. API Number<br>30-015-41713 | 2. Pool Code<br>28509                    | 3. Pool Name<br>GRAYBURG JACKSON;SR-Q-G-SA |
| 4. Property Code<br>309561    | 5. Property Name<br>STATE A              | 6. Well No.<br>609                         |
| 7. OGRID No.<br>269324        | 8. Operator Name<br>LINN OPERATING, INC. | 9. Elevation<br>3804                       |

**10. Surface Location**

|               |               |                 |              |              |                   |               |                   |               |                |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|
| UL - Lot<br>K | Section<br>16 | Township<br>17S | Range<br>31E | Lot Idn<br>K | Feet From<br>2367 | N/S Line<br>S | Feet From<br>2451 | E/W Line<br>W | County<br>Eddy |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-------------------|---------------|----------------|

**11. Bottom Hole Location If Different From Surface**

|                              |                     |          |       |                        |           |          |               |          |        |
|------------------------------|---------------------|----------|-------|------------------------|-----------|----------|---------------|----------|--------|
| UL - Lot                     | Section             | Township | Range | Lot Idn                | Feet From | N/S Line | Feet From     | E/W Line | County |
| 12. Dedicated Acres<br>40.00 | 13. Joint or Infill |          |       | 14. Consolidation Code |           |          | 15. Order No. |          |        |

**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**

|  |  |
|--|--|
|  | <b>OPERATOR CERTIFICATION</b>  |
|  | <p><i>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(s) 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.</i></p> <p>E-Signed By: Nancy Fitzwater<br/>         Title: Regulatory Compliance Supervisor<br/>         Date: 9/25/2013</p> |
|  | <b>SURVEYOR CERTIFICATION</b>  |
|  | <p><i>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.</i></p> <p>Surveyed By: Nelson Marshall<br/>         Date of Survey: 8/28/2013<br/>         Certificate Number: 12446</p>  |

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**PERMIT COMMENTS**

|   |                             |
|---|-----------------------------|
| Operator Name and Address:<br>LINN OPERATING, INC. [269324]<br>600 Travis Street<br>Houston, TX 77002 | API Number:<br>30-015-41713 |
|   | Well:<br>STATE A #609       |

| Created By | Comment  | Comment Date |
|------------|----------|--------------|
| CSHAPARD   | Land s/S | 9/27/2013    |

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**PERMIT CONDITIONS OF APPROVAL**

|   |                             |
|---|-----------------------------|
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|   | Well:<br>STATE A #609       |

| OCD Reviewer | Condition   |
|--------------|---|
| CSHAPARD     | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |