



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Pecos District
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



IN REPLY REFER TO:
3180 (P0220)
NM-70993X

Reference:
Designation of Successor Unit Operator
North Benson Queen Unit
Unitization Agreement No. NM-70993X
Eddy County, New Mexico

FEB 22 2012

CERTIFIED—RETURN RECEIPT REQUESTED
7008 3230 0002 0987 6308

Linn Operating, Inc.
JP Morgan Chase Tower
600 Travis, Suite 5100
Houston, TX 77002

Gentlemen:

This office has received and reviewed your designation of successor unit operator in which your company has agreed to assume all rights, duties, and obligations as the unit operator of the North Benson Queen Unit Eddy County, New Mexico.

As your company as Linn Operating, Inc. has obtained a Nationwide 250,000.00 BLM Bond (NMB000501) with a rider however, a recommendation has been sent to BLM New Mexico State Office to require that Linn Operating, Inc. to post an additional individual Unit bond in the amount of \$50,000.00. The Authorized Officer condition of approval is based upon Linn Operating, Inc. final bonding to be in place within 60 days of the date of this letter.

Therefore, Linn Operating, Inc. is hereby approved as the unit operator for the North Benson Queen Unit as of this date and is effective April 1, 2011. In accordance with this approval, Linn Operating, Inc. is responsible for all operations and the reporting of all production from the unit. Well signs should also reflect Linn Operating, Inc. as the unit operator. Please inform all interested principles of such approval. An approved copy of this designation is enclosed.

In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approvals that would entitle it to conduct operations under the North Benson Queen Unit Agreement.

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In addition to becoming the successor unit operator, this office requests a 2012 Plan of Development and a revised Exhibit B for the subject unit within 60 days from the receipt of this letter.

If you have any questions regarding this letter, please contact Edward G. Fernandez, Petroleum Engineer at the Division of Lands and Minerals at (575) 234-2220.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Peterson", with a long horizontal stroke extending to the right.

Don Peterson
Assistant Field Manager,
Lands and Minerals

1 Enclosure

cc:

ONRR, Denver
NMOCD-Artesia
CFO I&E
NM (P0221)
NM (P0220), CFO

DESIGNATION OF
SUCCESSOR UNIT OPERATOR
North Benson Queen Unit Area
County of Eddy
State of New Mexico

COPY

Unit Agreement No. NMNM70993X

DRB

THIS INDENTURE, dated as of the 1 day of April, 2011, by and between Linn Operating, Inc, hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated "Second Parties,"

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, acting by and through the Authorized Officer, on the 10th day of January, 1973, approved a Unit Agreement for North Benson Queen Unit Area, wherein SandRidge Exploration and Production, LLC was designated as Unit Operator, and

WHEREAS, SandRidge Exploration and Production, LLC desires to resign as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligation of Unit Operator under the said Unit Agreement:

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the North Benson Queen Unit Agreement, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Authorized Officer, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

DRB
FIRST PARTY
operating, Inc
Linn Energy Holdings, LLC
By: [Signature] David R. Beathard, Vice President, Business Development

SECOND PARTIES
Linn Energy Holdings, LLC
By: [Signature] David R. Beathard, Vice President, Business Development
Execution Date: _____
By: _____
Execution Date: _____

COPY

CORPORATE ACKNOWLEDGEMENT

State of Oklahoma
County of Oklahoma SS.

The foregoing instrument was acknowledged before me this 1st day of April, 2011, by David R. Beatheard, Vice President, Business development of Linn Energy Holdings, LLC, a Corporation. and Linn operating, Inc. DRB

WITNESS my hand and official seal.

My commission Expires: 4/3/14

Tamara Lasley
Notary Public

 **TAMARA LASLEY**
Notary Public
State of Oklahoma
Commission # 10002906 Expires 04/08/14

Place of Residence:

Oklahoma

Attachment 1

To The Designation of Unit Operator

By and between Linn Energy Holdings, LLC

Dated April 1, 2011, Effective April 1, 2011.

COPY

DRB

Linn Operating, Inc. as the designated successor operator, hereby certifies that the requisite approvals of the current working interest owners in the agreement have been obtained to satisfy the requirement for selection of a successor operator as set forth under the terms and provisions of the agreement. Operation on Federal wells in this agreement will be covered by BLM Bond No.

NAME: David R. Beathard

1/A

By: *[Signature]*

Title: Vice President, Business Development

STATE OF: Oklahoma

COUNTY OF: Oklahoma

This instrument was acknowledged before me on the 1st of April, 2011, by David R. Beathard as Vice President, Business Development of Linn Operating, Inc. a corporation, on behalf of said Corporation.

DRB

Tamara Lasley
Notary Public in and for the
State of Oklahoma

My commission expires: 4/8/14

SEAL

NOTARY SEAL PUBLIC
TAMARA LASLEY
Notary Public
State of Oklahoma
Commission #: 10002906 Expires 04/08/14

COPY

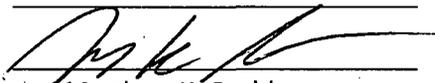
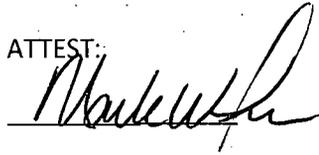
RESIGNATION OF UNIT OPERATOR

North Benson Queen Unit Area
County of Eddy
State of New Mexico
Unit Agreement No. NMNM70993X

Under and pursuant to the provisions of Section 7 of the Unit Agreement for the Development and Operation of the North Benson Queen Unit Area, Eddy County, New Mexico, SandRidge Exploration and Production, LLC the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of the Successor Unit Operator.

Executed with effect as aforesaid the 1 day of April, 2011.

ATTEST:



Matthew K. Grubb
President and Chief Operating Officer

*MS PRO
JRC*

North Benson Queen Unit

API	Well Name	Well Number	Type	Status	Unit Letter	Section	Township	Range	Spud Date	Plugged On
30-015-10156	NORTH BENSON QUEEN UNIT	#001	Oil	Active	C	28	18S	30E		
30-015-10586	NORTH BENSON QUEEN UNIT	#003	Oil	Active	C	27	18S	30E		
30-015-10283	NORTH BENSON QUEEN UNIT	#004	Oil	Active	G	27	18S	30E		
30-015-10158	NORTH BENSON QUEEN UNIT	#006	Oil	Active	E	27	18S	30E		
30-015-10108	NORTH BENSON QUEEN UNIT	#008	Oil	Active	G	28	18S	30E		
30-015-10101	NORTH BENSON QUEEN UNIT	#009	Injection	Active	F	28	18S	30E	12/19/1963	
30-015-10239	NORTH BENSON QUEEN UNIT	#011	Oil	Active	K	29	18S	30E		
30-015-10389	NORTH BENSON QUEEN UNIT	#012	Injection	Active	J	29	18S	30E		
30-015-10153	NORTH BENSON QUEEN UNIT	#013	Oil	Active	I	29	18S	30E		
30-015-10124	NORTH BENSON QUEEN UNIT	#015	Oil	Active	K	28	18S	30E		
30-015-10087	NORTH BENSON QUEEN UNIT	#016	Injection	Active	J	28	18S	30E		
30-015-10128	NORTH BENSON QUEEN UNIT	#018	Injection	Active	L	27	18S	30E		
30-015-10092	NORTH BENSON QUEEN UNIT	#019	Oil	Active	K	27	18S	30E		
30-015-04550	NORTH BENSON QUEEN UNIT	#020	Oil	Expired Temporary Abandonment	O	27	18S	30E		
30-015-04551	NORTH BENSON QUEEN UNIT	#021	Injection	Approved Temporary Abandonment	N	27	18S	30E		
30-015-10208	NORTH BENSON QUEEN UNIT	#022	Oil	Active	M	27	18S	30E		
30-015-10193	NORTH BENSON QUEEN UNIT	#023	Injection	Active	P	28	18S	30E		
30-015-10190	NORTH BENSON QUEEN UNIT	#024	Oil	Active	O	28	18S	30E		
30-015-10127	NORTH BENSON QUEEN UNIT	#025	Injection	Active	N	28	18S	30E		
30-015-10145	NORTH BENSON QUEEN UNIT	#026	Oil	Active	M	28	18S	30E		
30-015-10154	NORTH BENSON QUEEN UNIT	#027	Injection	Active	P	29	18S	30E		
30-015-10120	NORTH BENSON QUEEN UNIT	#028	Oil	Active	O	29	18S	30E		
30-015-10844	NORTH BENSON QUEEN UNIT	#030	Oil	Active	A	31	18S	30E		
30-015-10535	NORTH BENSON QUEEN UNIT	#032	Oil	Active	C	32	18S	30E		
30-015-10229	NORTH BENSON QUEEN UNIT	#033	Injection	Active	B	33	18S	30E		
30-015-04560	NORTH BENSON QUEEN UNIT	#034	Oil	Active	A	33	18S	30E		
30-015-04564	NORTH BENSON QUEEN UNIT	#035	Injection	Active	D	34	18S	30E		
30-015-04561	NORTH BENSON QUEEN UNIT	#036	Oil	Active	C	34	18S	30E		
30-015-04566	NORTH BENSON QUEEN UNIT	#037	Injection	Active	B	34	18S	30E		
30-015-04562	NORTH BENSON QUEEN UNIT	#039	Injection	Active	F	34	18S	30E		
30-015-04563	NORTH BENSON QUEEN UNIT	#040	Oil	Active	E	34	18S	30E		
30-015-10152	NORTH BENSON QUEEN UNIT	#041	Injection	Approved Temporary Abandonment	H	33	18S	30E		
30-015-10906	NORTH BENSON QUEEN UNIT	#042	Injection	Active	F	32	18S	30E	1/18/1967	
30-015-10846	NORTH BENSON QUEEN UNIT	#043	Oil	Active	E	32	18S	30E		
30-015-20023	NORTH BENSON QUEEN UNIT	#044	Oil	Expired Temporary Abandonment	K	32	18S	30E		
30-015-04558	NORTH BENSON QUEEN UNIT	#045	Oil	Active	I	33	18S	30E		
30-015-26345	NORTH BENSON QUEEN UNIT	#046	Oil	Plugged, Site Released	O	28	18S	30E		1/25/2011
30-015-26355	NORTH BENSON QUEEN UNIT	#047	Oil	Active	M	27	18S	30E		
30-015-36900	NORTH BENSON QUEEN UNIT	#048	Oil	New (Not Drilled or Completed)	P	28	18S	30E		
30-015-36901	NORTH BENSON QUEEN UNIT	#049	Oil	New (Not Drilled or Completed)	J	28	18S	30E		
30-015-36902	NORTH BENSON QUEEN UNIT	#050	Oil	New (Not Drilled or Completed)	P	28	18S	30E		
30-015-38194	NORTH BENSON QUEEN UNIT	#052	Oil	New (Not Drilled or Completed)	B	33	18S	30E		
30-015-36903	NORTH BENSON QUEEN UNIT	#053	Oil	New (Not Drilled or Completed)	L	28	18S	30E		
30-015-36904	NORTH BENSON QUEEN UNIT	#054	Oil	New (Not Drilled or Completed)	G	28	18S	30E		
30-015-36905	NORTH BENSON QUEEN UNIT	#056	Oil	New (Not Drilled or Completed)	H	28	18S	30E		
30-015-36906	NORTH BENSON QUEEN UNIT	#060	Oil	New (Not Drilled or Completed)	M	27	18S	30E		
30-015-36898	NORTH BENSON QUEEN UNIT	#062	Oil	New (Not Drilled or Completed)	G	34	18S	30E		
30-015-36899	NORTH BENSON QUEEN UNIT	#063	Oil	New (Not Drilled or Completed)	F	34	18S	30E		
30-015-36911	NORTH BENSON QUEEN UNIT	#064	Oil	New (Not Drilled or Completed)	E	34	18S	30E		
30-015-36912	NORTH BENSON QUEEN UNIT	#067	Oil	New (Not Drilled or Completed)	I	29	18S	30E		
30-015-24330	NORTH BENSON QUEEN UNIT	#071	Oil	Active	B	33	18S	30E		



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Ray Powell, M.S., D.V.M.
COMMISSIONER

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

October 19, 2011

Linn Energy Holdings, LLC
600 Travis Street, Suite 5100
Houston, Texas 77002

Attn: Mr. John Akers

Re: Resignation/Designation of Successor Unit Operator
North Benson Queen Unit
Eddy County, New Mexico

Dear Mr. Akers:

We are in receipt of your resignation/designation of successor unit operator, wherein SandRidge Exploration and Production, LLC has resigned as unit operator of the North Benson Queen Unit and designated Linn Energy Holdings, LLC as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of SandRidge Exploration and Production, LLC and the designation of Linn Energy Holdings, LLC as the successor unit operator of this unit. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

This change in operators is effective April 1, 2011. In accordance with this approval, Linn Energy Holdings, LLC is now responsible for all operations and the reporting of all production from this unit.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY J. ROYBAL, Director
Oil/Gas and Minerals Division
RP/LR/jm

xc: Reader File

OCD-Mr. Ed Martin

TRD-Valdean Severson

BLMC-Wesley Ingram