

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

OCD- Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 20105. Lease Serial No.
NMLC029435A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
J L KEEL A 49. API Well No.
30-015-05092-00-S110. Field and Pool, or Exploratory
GRAYBURG11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

Contact: TERRY B CALLAHAN

LINN OPERATING INCORPORATED E-Mail: tcallahan@linnenergy.com

3a. Address

600 TRAVIS STREET SUITE 5100
HOUSTON, TX 77002

3b. Phone No. (include area code)

Ph: 281-840-4272

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 7 T17S R31E NESW 1650FSL 2310FWL

ULK

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☒ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Return to Injection:

8/8/11 - Moved rig on location to repair csg leak. MIRU hook up well to frac tank and start flowing back. MIRU hook up well to frac tank and start flowing back. Well had 1200 psi on it. Flowed back 300 bbls SDFN.

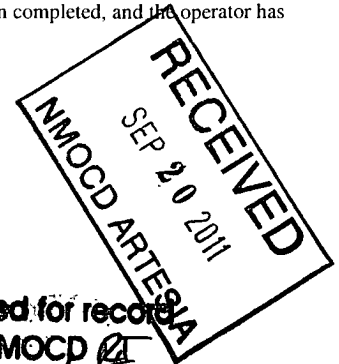
8/9/11 - Flowed well. Recovered 120 bbls. Unset 4 1/2" Baker J-loc pkr. POOH w/ 86 jts 2 3/8 ipc. PU bit & scrapper & RIH. Tagged up @ 2813'. 570' of fill from 2779' to 3383'. CIBP @ 3413'. POOH w/tbg, bit & scrapper. SIW. SDFN.

8/10/11 - MIRU reverse unit. RIH w/ 6 - 3 1/8" collars, bit & 84 jnts of 2- 3/8" tbg. Tagged fill at 2813'. Rig up swivel, and start drilling out fill. Cleaned out to 2964' and drilled into water

Accepted for record

NMOCD

9/21/11



14. Thereby certify that the foregoing is true and correct.

Electronic Submission #116967 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 09/08/2011 (11DLM1076SE)

Name (Printed/Typed) TERRY B CALLAHAN

Title REGULATORY SPECIALIST III

Signature (Electronic Submission)

Date 09/07/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTEDJAMES A AMOS
Title SUPERVISOR EPS

Date 09/16/2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #116967 that would not fit on the form

32. Additional remarks, continued

flow. Flowing about 150 bbls/hr. Pulled up 5 jnts., shut in BOP. SDFN.

8/11/11 - Open well up had 1400 psi on it. Start flowing to reverse pit. flowed back 130 bbls. Drilled from 2964' to 3230'. SDFN

8/12/11 - Open up well, started flowing to frac tank to bleed down. Resumed drlg, drld out fr 3274 to 3408'. Circ. hole clean, RD swivel. POOH LD work string 103 jnts of 2 3/8". Tbg plugged off. Decided to run ipc tbg in hole and come out laying down. Was able to get tbg in hole. S/I well SDFN.

8/15/11 - TIH W/86 jts 2 3/8 IPC tbg that was bad. TOOHL 86 jts tbg. PU 4 1/2 Arrow set 1 packer W/1.50 profile nipple, T2 on/off tool, PU 85 jts new 2 3/8 IPC. Lunch. RD floor & tongs, NDBOP land tbg circ 40 Bbls pkr fluid, set packer @ 2695' KB land tbg pressure test to 520 psi for 30 min 100 % test. RDWSU move off.

8-16-11 - MIRU Crane Hot Oil Pump 4000 gal 15% HCL @ 4 bpm, flush with 60 Bbls of H2O SWI for 24 hrs.

8/31/11 - RTI by Dennis P. at a rate of 150 BWPD at 1300 PSI.
8/31/11 - Passed witnessed MIT by Richard Inge of the NM OCD.

OCD kept MIT Chart.