

LINN ENERGY, LLC.

JPMorgan Chase Tower 600 TRAVIS, SUITE 5100 Houston, TX 77002 PHONE: (281) 840-4000 FAX: (281) 840-4001

August 29, 2016

State of New Mexico Energy, Minerals & Natural Res Dept. Oil Conservation Division 811 S. First Street Artesia, New Mexico 88210

ATTENTION:

Tony Morales

REFERENCE: Letter of Violation dated 8/05/2016

North Benson Queen Unit No. 32

Eddy County, New Mexico

Linn Operating, Inc., is respectfully submitting a response to your Letter of Violation dated August 5, 2016 regarding the referenced well.

Linn has successfully completed corrective actions to resolve the violations during the week of August 22, 2016. Please see attached photos to substantiate these actions.

Should you have any questions or require additional information, please do not hesitate to contact me at dgordon@linnenergy.com or 281.840.4010.

As always your assistance and consideration is greatly appreciated.

Very, Truly Yours,

Debra J. Gordon Regulatory Manager

Cc/

Well Records

Hobbs Field Operations

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary

David Catanach, DirectorOil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

05-Aug-16

LINN OPERATING, INC. 600 TRAVIS STREET SUITE 4900 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.

			INSPECTIO	N DETAIL	LSECTION		
NORTH BENSON QUEEN UNIT			No.032		C-32-18S-30E	30-015-10535-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/05/2016	Routine/Periodic		Tony Morales	Yes	No	11/8/2016	iTM1621848296
	Violations						•.
	General Housekeeping (Rule 114)						
-		201) SHUT IN? PJ. OLD PJ ON LOCATION.		OK. All Equipment and Location in			

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,

Actoria OCB District Office

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.