

LINN ENERGY, LLC.

JPMORGAN CHASE TOWER
600 TRAVIS, SUITE 5100
HOUSTON, TX 77002
PHONE: (281) 840-4000
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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 8/08/2016
North Benson Queen Unit No. 003
Eddy County, New Mexico

Linn Operating, Inc., is respectfully submitting a response to your Letter of Violation dated August 8, 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,

A handwritten signature in black ink, appearing to read "Debra J. Gordon", written over a horizontal line.

Debra J. Gordon
Regulatory Manager

Cc/ Well Records
Hobbs Field Operations

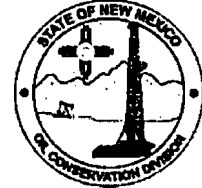
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

08-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.

INSPECTION DETAIL SECTION

NORTH BENSON QUEEN UNIT No.004				G-27-18S-30E	30-015-10283-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/08/2016	Routine/Periodic	Tony Morales	Yes	No	11/11/2016	iTM1622146224
	Violations					
	General Housekeeping (Rule 114)					
Comments on Inspection:		OK. All Equipment and Location in Good Shape.		PJO. OLD PJ ON LOCATION		
NORTH BENSON QUEEN UNIT No.003				C-27-18S-30E	30-015-10586-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/08/2016	Routine/Periodic	Tony Morales	Yes	No	11/11/2016	iTM1622145577
	Violations					
	General Housekeeping (Rule 114)					
Comments on Inspection:		OK. All Equipment and Location in Good Shape.		PJO. STAINING AROUND WELL HEAD.		

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,


Tony Morales, CO
Artesia OCS 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.