

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.*5. Lease Serial No.
NMNM27276

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

MCCLAY FEDERAL 007

2. Name of Operator

LINN OPERATING, INC.

Contact: NANCY S FITZWATER

E-Mail: nfitzwat@linnenergy.com

9. API Well No.

30-015-10370

3a. Address

600 TRAVIS ST., SUITE 5100
HOUSTON, TX 77002

3b. Phone No. (include area code)

Ph: 281-840-4266

Fx: 281-840-4003

10. Field and Pool, or Exploratory

BENSON

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

Sec 33 T18S R30E Mer NMP

11. County or Parish, and State

EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

LINN OPERATING, INC., RESPECTFULLY REQUESTS A CHANGE OF OPERATOR FROM SANDRIDGE E&P, LLC, TO LINN OPERATING, INC. FOR THE ABOVE REFERENCED WELL.

THE UNDERSIGNED ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS AND RESTRICTIONS CONCERNING OPERATIONS CONDUCTED ON THE LEASED LAND OR PORTION THEREOF, AS DESCRIBED BELOW.

EFFECTIVE DATE: JUNE 1, 2011

LOCATION: EDDY COUNTY, NEW MEXICO SECT 33, T18S, R30E

BLM BOND #: NMB000501

ok to Approve JB
**SEE ATTACHED FOR
CONDITIONS OF APPROVAL***APD 07/25/11*
RECEIVED

JUL 15 2011

14. I hereby certify that the foregoing is true and correct

Electronic Submission #110038 verified by the BLM Well Information System
For LINN OPERATING, INC., sent to the Carlsbad

NIMUOCD ARTESIA

Name (Printed/Typed) DAVID GONZALES

Title ENGINEER

Signature (Electronic Submission)

Date 06/07/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #110038 that would not fit on the form

32. Additional remarks, continued

ADDITIONAL WELLS THIS LEASE:

MCCLAY FEDERAL #010	30-015-21674	SEC 33 T18S R30E	BENSON
MCCLAY FEDERAL #011	30-015-23014	SEC 33 T18S R30E	BENSON
MCCLAY FEDERAL #012	30-015-23125	SEC 33 T18S R30E	BENSON
MCCLAY FEDERAL #013	30-015-23126	SEC 33 T18S R30E	BENSON

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Conditions of Approval

Linn Operating, Inc.

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
3. Submit for approval of water disposal method.
4. Submit updated facility diagrams as per Onshore Order #3
5. This agency shall be notified of any spill or discharge as required by NTL-3A.
6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
7. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
8. Subject to like approval by NMOCD.