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 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

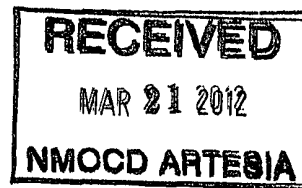
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other INJECTION		WELL API NO. 30-015-20468
2. Name of Operator LINN OPERATING, INC.		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED <input type="checkbox"/>
3. Address of Operator 600 TRAVIS, SUITE 5100, HOUSTON, TEXAS 77002		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u> E </u> ; <u>1980</u> feet from the <u> N </u> line and <u> 660 </u> feet from the <u> W </u> line Section <u> 15 </u> Township <u> 17S </u> Range <u> 31E </u> NMPM <u> EDDY </u> County		7. Lease Name or Unit Agreement Name SKELLY UNIT
		8. Well Number: 109
		9. OGRID Number 269324
		10. Pool name or Wildcat GRAYBURG JACKSON;SR-Q-G-SA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3863'		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LINN proposes to return the Skelly Unit 109 back to active injection status. LINN previously submitted a TA extension request in order to provide sufficient time to line up a rig and execute the work before the TA status expired. Please see the attached procedure and current/proposed wellbore schematic for the reactivation of this wellbore.



Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Terry Callahan TITLE: REGULATORY SPECIALIST III DATE MARCH 19, 2012

Type or print name TERRY B. CALLAHAN E-mail address: tcallahan@linnenergy.com PHONE: 281-840-4272

For State Use Only

APPROVED BY: Richard Ince TITLE COMPLIANCE OFFICER DATE 3/27/12
 Conditions of Approval (if any):

Skelly Unit 109

EDDY COUNTY, NM

E-15-17S-31E 1980 FNL 660 FWL

30-15-20468

3/7/12

Project Scope: Return well to injection by drilling out CIBP and installing injection packer and tubing.

Non Routine Equipment Needs:

5-1/2" Arrowset Packer with On-Off Tool

2-3/8" IPC injection Tubing

Procedure:

1. Test anchors prior to rigging up.
2. Move in workover unit. Record casing and tubing pressures.
3. Conduct a MOCK MIT at 500 PSI before rigging up and notify engineer of results prior to rigging up.
4. Bleed pressure off of well.
5. NU BOP.
6. TOOH with kill sub (if a kill sub is in hole).
7. PU bit and work-string and TIH to 3133' and drill out CIBP.
8. Clean out well to 3595' (top of 2nd CIBP) if possible (contact project engineer if unable to clean out to top of CIBP @ 3595').
9. TOOH and LD workstring/bit.
10. PU 3 jts of 2-3/8" IPC tail pipe, 5-1/2" injection packer (Arrowset with on off tool), SN, ~99 Jts of 2-3/8" IPC injection tubing, and TIH with packer landed at 3125' (unset).
11. ND BOP.
12. Circulate packer fluid.
13. Set packer at 3125'.
14. NU WH.
15. Conduct mock MIT to 500 PSI.
16. Notify foreman that the well is ready for a witnessed MIT.
17. RDMO.

Contact Information:

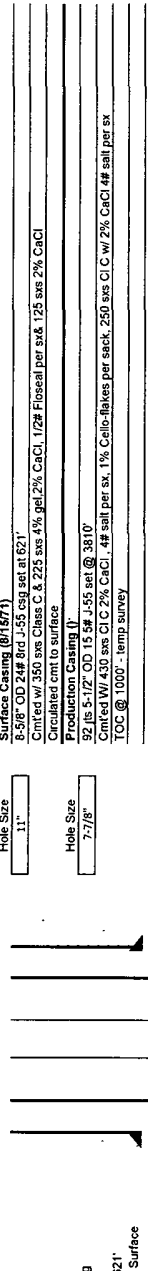
David Gonzales – Asset Engineer
Cell – 832-350-6334
Office – 281-840-4055

Joe Hernandez - Foreman
Cell – 575-942-9492

Proposed Wellbore Schematic

Well Name: SkeHy Unit 109
 Location: E-15-17S-31E 1980 FNL 660 FWL
 API #: 30-015-20468
 Date Prepared: 14-Feb-12
 Last Updated: 7-Mar-12
 Spud Date: 15-Aug-71
 RR Date:
 Spud Date to RR Date:
 Completion Start Date:
 Completion End Date:
 Completion Total Days:
 Co-ordinates:
 K Murphy
 D Gonzales

Elevations:
 Ground: 3863'
 DF: 3871'
 PBTD: 3765'
 TD: 3810'



Surf.Csg
 8-5/8"
 Set @ 821'
 TOC @ Surface

Surface Casing (011871)
 8-5/8" OD 24# 8rd J-55 csg set at 821'
 Cemented w/ 350 sss Class C & 225 sss 4% gel 2% CaCl₂ 1/2# Floesal per ssk. 125 sss 2% CaCl₂
 Calculated cmt to surface

Production Casing II
 92 is 5-1/2" OD 15.5# J-55 set @ 3810'
 Cemented w/ 430 sss C/C 2% CaCl₂ .4# salt per ssk. 1% Cello-flakes per sack. 250 sss C/C w/ 2% CaCl₂ # salt per ssk
 TOC @ 1000' - temp survey

Tubing
 PROPOSED
 2-3/8" IPC (-98 Jls)
 2-3/8" SN
 2-3/8" X 3-1/2" Arrowset Packer with On-Off Tool

Notes:
 Top of Salt - 654'
 Base of Salt - 1626'

Perforations:
 Initial Completion Perf w/ one 42 jet shot. 3105, 3221, 3235, 3247, 3259, 3273, 3289, 3301, 3328, 3351, 3377, 3394, 3434, 3458, 3466, 3524.
 3532, 3542, 3568, 3604
 5/8/97 - 3288, 89, 90, 91, 3301, 25, 26, 27, 28, 29, 53, 54, 55, 77, 92, 93, 94, 3432, 33, 58, 55, 66, 3524, 34, 35, 36, 37, 41, 42, 77, 78, 79

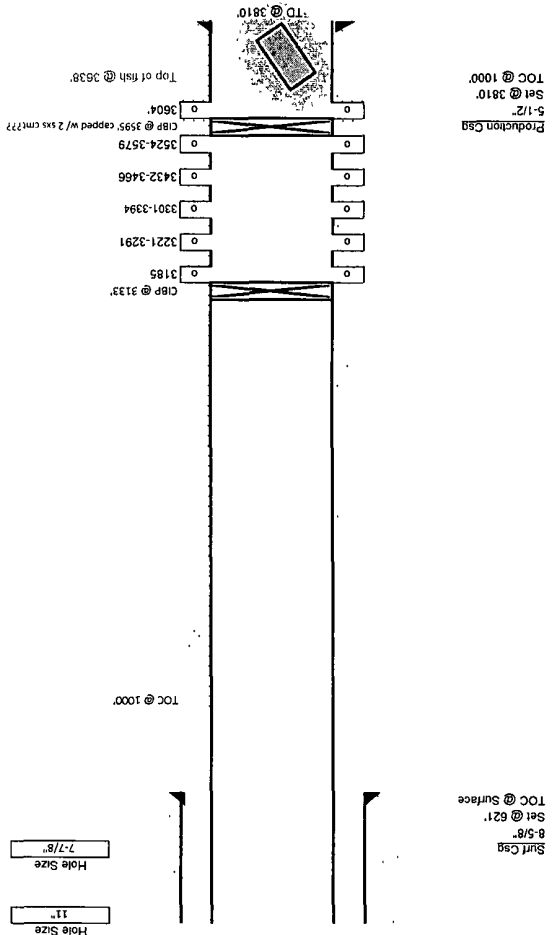
Length (ft)	Set Depth
3122	3122
1	3125
3	3125

Production Csg
 5-1/2"
 Set @ 3810'
 TOC @ 1000'

Set Packer @ 3125
 3185
 3221-3281
 3301-3394
 3432-3466
 3524-3579
 CBP @ 3595' capped w/ 2 ss cmt??
 3604'
 Top of fish @ 3838
 TD @ 3810'

Current Wellbore Schematic

Well Name	Skelly Unit 109
Location	E-15-17S-31E 1980 FNL 660 FWL
API #	30-015-20468
Elevations	GROUND 3863 DF 3871 PBD 3766 TD 3810
Depths (KB)	



Surface Casing (8/15/71)	8-5/8" OD 24# Bnd J-55 csg set at 621'
Production Casing (I)	92 1/2" OD 15# J-55 set @ 3810'
Production Casing (II)	3524-3542, 3568, 3604
Production Casing (III)	3221-3291
Production Casing (IV)	3301-3394
Production Casing (V)	3432-3466
Production Casing (VI)	3524-3579
Production Casing (VII)	3604
Notes:	Top of Sall - 654' Base of Sall - 1626'
Perforations:	Initial Completion Perf wt one 42 jet shot 3185, 3221, 3235, 3247, 3259, 3273, 3289, 3301, 3320, 3351, 3377, 3394, 3434, 3458, 3466, 3524, 3532, 3542, 3568, 3604
5/8/97 - 3288, 89, 90, 91, 3301, 25, 26, 27, 28, 29, 53, 54, 55, 57, 92, 93, 94, 3432, 33, 58, 65, 66, 3524, 34, 35, 36, 37, 41, 42, 77, 78, 79	

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