

Submit 1 Copy To Appropriate District Office
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

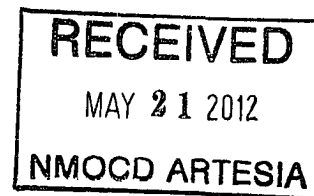
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. 30-015-20468
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/>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

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

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

PLEASE SEE ATTACHED



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

TITLE: REGULATORY SPECIALIST III DATE MAY 18, 2012

Type or print name TERRY B. CALLAHAN
For State Use Only

E-mail address: tcallahan@linnenergy.com

PHONE: 281-840-4272

APPROVED BY:

TITLE

Dist. B Supervisor

DATE

05/24/12

Conditions of Approval (if any):

SKELLY UNIT 109
API #30-015-20468
Attachment

5/2/2012 - Wait on anchor tester. RU NDWH NU B.O.P. Spot in work string on racks. RU Kenemore pump trk., test csg/ B.O.P. 1000# test good RD trk. Wait on catch pan. (D & L). NU catch pan, RU floor, and Reverse Unit. Spot in prod string on racks. TIH w/ bit drill out CIBP.

5/3/2012 - WO bit. Pick up 6-3 1/2" drill collars w/ 4 3/4" bit. Picked up work-string TIH w/ 4 3/4' bit X-over 6-3 1/2" collars and 93jt- 2 3/8' work-string tag @3133' RU Weatherford swivel. Drill on CIBP drill through plug & tagged up @3244' well kicked off. Flowed 50bbls back. Pulled out perf. 5-jt. SWH SDFN.

5/4/2012 - Check pressures bleed off well. PU 5 stds, TIH start drilling @3244' drld down to 3347' hard spot drilled 1.5-Hr start going dwn clean out to 3554'. Tbg plugged off. SD TOH w/ 8-stds bit above Perf. Cont drlg.

5/7/2012 - Flow down well POH w/ 2 3/8" tubing pulling wet. Lay down 2 drill collars RIH w/ 4 3/4" bit 4- 3 1/2" drill collars 2 3/8" tubing. Well started flowing. Flow down pump 5bbls water. RIH tag up @ 3560'. RU reverse unit started drlg @ 3560' clean out to 3581' RD POH w/ 16 jts LD 2 3/8".

5/8/2012 - POH LD 2 3/8" work string, collars and bit. RU Monk tbg tester. Talley tbg. TIH test tbg @5000# tbg test good. TIH as follows: 5 1/2" Arrow Set Prk. w/ T-2 on-off tool w/ 1.5" profile nipple, 97-jts 2 3/8" IPC RD Monk tester. Set Packer@3107' RU Kenemore kill trk. Test CSC MOC MIT @560# 30min. lost 20# test good. Release on-off tool. SWH SDFN.

5/9/2012 – Rig shut down repairs.

5/10/2012 - RU Kenemore Kill trk. Circ 90-bbls packer fluid, latch onto packer. ND catch pan and B.O.P. NU WH hook up to back side pressure up 2" valve leak replace, set pkr @12,000# tension. Test 500# f-30min good. set new main valve. RD Kill trk. RDMO

5/14/2012 – Witnessed MIT by Richard Inge (OCD) 530 psi.

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bernis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Secretary

Jami Bailey
Division Director
Oil Conservation Division



Date 5/14/12

API # 30-0 15-20468

Dear Operator:

I have this date performed a Mechanical Integrity Test on the SKOLY UNIT #109

☒ If this test was successful the original chart has been retained by the NMOCD and will be scanned into the well's file in 7 to 10 days, pending receipt of the Form C-103 indicating the reason for this test. The well files are located at www.emnrd.state.nm.us/ocd/OCDOnline.htm.

☐ If this test was unsuccessful the original chart has been returned to the operator pending repair and retest of the well, which must be accomplished within 90 days. If this is a test of a repaired well, previously in non-compliance, all dates and requirements of the original non-compliance are still in effect. No expectation of extension should be construed as a result of this test.

☐ If this test was for Temporary Abandonment include in your detailed description, on Form C-103, the location of the CIBP and any other tubular goods in the well, as well as your request for TA status.

☒ If this is a successful test of a repaired well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a detailed description of the repair to the well. Only after receipt of the C-103 will the non-compliance be closed.

☐ If this is a successful Initial Test of an injection well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a detailed description of the work done on this well including the position of the packer, tubing information and the date you began injection into the well.

If I can be of additional service contact me at (575) 748-1283 ext 107.

Thank You,

Richard Inge
Richard Inge
Field Inspector
District II - Artesia

