HOBBS OCD

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District I
1625 N French Dr , Hobbs, NM 88240
District II
811 S First St , Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
Revised August 1, 2011

For closed-loop systems *that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure*, submit to the appropriate NMOCD District Office

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☐ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1

Operator: LINN Operating, Inc OGRID #: 269324

Address: 600 Travis Street, Suite 5100 Houston, Texas 77002

Facility or well name: Humphrey Queen Unit #023

API Number: 30-025-22751 OCD Permit Number: P1-03644

U/L or Qtr/Qtr O Section 03 Township 25S Range 37E County: Lea

Center of Proposed Design: Latitude 32.15211 Longitude -103.14822 NAD. ☐ 1927 ☐ 1983

Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2

☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC

Operation: ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☒ P&A

☐ Above Ground Steel Tanks or ☐ Haul-off Bins

3.

Signs: Subsection C of 19.15.17.11 NMAC

☒ 12"x 24", 2" lettering, providing Operator's name, site location and emergency telephone numbers

☒ Signed in compliance with 19.15.3.103 NMAC

4.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC

☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC

☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____

☐ Previously Approved Operating and Maintenance Plan API Number: _____

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: CRI (Control Recovery Inc.) Disposal Facility Permit Number: NM01-0019 00

Disposal Facility Name: Gandy-Marley Disposal Disposal Facility Permit Number: NM01-0003 19

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☒ No

Required for impacted areas which will not be used for future service and operations.

☐ Soil Backfill and Cover Design Specifications - - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6.

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief

Name (Print): Jerry B. Callahan Title: Regulatory Specialist III

Signature: Jerry B. Callahan Date: 8/30/2011

e-mail address: TCallahan@linnenergy.com Telephone: 281-840-4272

1-18-2011

7.
OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____ **Approval Date:** 8-31-2011

Title: STAFF MGR **OCD Permit Number:** P1-03644

8.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: *Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.*

☒ **Closure Completion Date:** 10-3-11

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: *Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.*

Disposal Facility Name: Control Recovery Inc. Disposal Facility Permit Number: NM01-0006

Disposal Facility Name: Gandy-Marley Disposal Disposal Facility Permit Number: NM01-0019

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

10.
Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Jerry B. Callahan Title: Regulatory Specialist III

Signature: Jerry B. Callahan Date: 10-14-2011

e-mail address: _____ Telephone: _____

ECG 10-14-2011

Wellbore Diagram

Lease & Well No	**Humphrey Queen Unit #23**	Former Name	Humphrey A #9
Field Name	Langlie Mattix	County & State	Lea County, New Mexico
Location	100' FSL & 1980' FEL T. 25S R. 37E Sec. 3	API No	30-025-22751

K.B. Elevation	
D.F. Elevation	
Ground Level	3,134'

Surface Casing					
Size (OD)	8 5/8"	Weight	23.0#	Depth	727'
Grade		Sx. Cmt	325 sx	TOC @	

Intermediate Casing (Pulled from Well/Not Cemented)						
Size (OD)	7"	Weight	24.0#	Depth	1,161'	Pulled
Grade		Sx. Cmt		TOC @		

Production Casing						
Size (OD)	4 1/2"	Weight	9.5#	Depth	3,286'	
Grade		Sx. Cmt	210 sx	TOC @	1,736'	Calculated

Well History

10/15/68 - Spud Well

10/22/68 - Drilled 10" hole to 732' & set 8-5/8" csg @ 727', Cmtd w/ 325 sx Cl 'A' cmt, Circ cmt to surface,

11/25/68 - TD 6-1/4" hole @ 3,535', Set 4-1/2" csg @ 3,286', Cmtd w/ 210 sx, Calculated TOC @ 1,736', Plugged back to 3,506' w/ 25 gals gravel + 16 gals hydromite, PBTD @ 3,499' Well shut-in

8/25/69 - Clnd out f/ 3,485 - 3,515', Lost fish @ 3,461', Attempt to fish got top 28' of sd pump, Top of fish @ 3,492', Cannot fish rest of sd pump, Milled by junk f/ 3,498' - 3,514', POH & ran 3-7/8" bit, Deepened well f/ 3,514 - 3,555', Acdz OH f/ 3,286 - 3,555' w/ 500 gals 15% NEFE acid, Ran 103 jts tbg + 4-1/2" Baker tension pkr & set same @ 3,200', Put well on injection

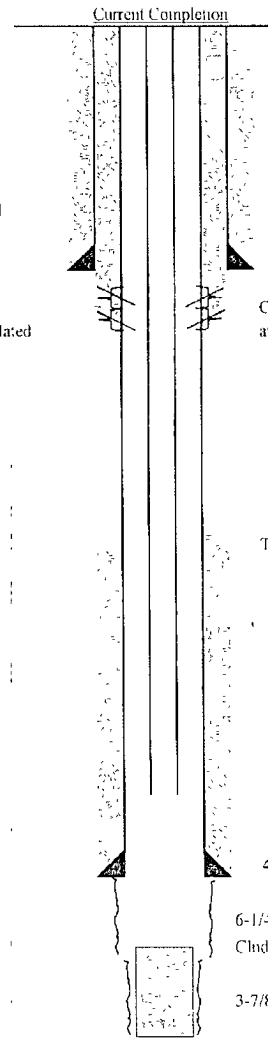
8/9/78 - Acdz OH f/ 3,286 - 3,460' w/ 1,000 gals 15% NEFE HCl

1/30/91 - POH w/ inj eqmt, Tagged fill @ 3,425', Cind out fill to 3,530' Acdz well w/ 2,000 gals 15% NEFE HCl + 20% Xylene, RIH w/ pkr & set same @ 3,213', tstd csg to 500 psi; held ok

4/26/06 - passed MIT

8/12/11 - Sqz'ed 4-1/2" csg leak @ 719'-750' w/ 325 sxs cmt Circ to surf
RIH w/ 3 7/8" bit 2 - 3 1/4" drill collars tag cement @ 103' Started drilling cmt, fell out @ 775'
RIH w/ 4 1/2" AD-1 packer tested casing leaks 719' - 750' press 550 PSI
loss 100 PSI in 5 MINS 200 PSI in 10 MINS POH w tubing & packer

Formation Record	Depth
Anhydrite	1,030'
T/ Salt	1,180'
B/ Salt	2,410'
Queen	3,435'



Tubing Detail: (2/7/91)
102 Jts 2-3/8" Cmt lined tbg (3,209.23')
4-1/2" AD-1 Pkr @ ~ 3,209'
Estimated Pkr Depth @ 3,209' (102 Jts down)

8-5/8" Set @ 727' in 10" OD Hole

Csg leak indentified f/ 719 - 750', will take 3bbl/min at 80 psi & circ to surface, Sqz'ed w 325 sxs

TOC @ 1,736' (Calculated)

Current Perforations				
Top	Bot	Ft	Shots	
3,286'	3,530'	244'	OH	1/30/1991
3,530'	3,555'	25'	OH	Fill

4-1/2" Set @ 3,286' in 6-1/4" OD Hole

6-1/4" OH f/ 3,286 - 3,535'
Cind out fill to 3,530' (1/1991)

3-7/8" OH f/ 3,535 - 3,555'

Plug Back Depth	3,530'	1/30/1991
Total Depth	3,555'	8/25/1969

Wellbore Diagram

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Field Name	Langlie Mattix	County & State	Lea County, New Mexico
Location	100' FSL & 1980' FEL, T 25S R 37E Sec 3	API No	30-025-22751

K B Elevation	
D F Elevation	
Ground Level	3,134'

Surface Casing

Size (OD)	8 5/8"	Weight	23.0#	Depth	727'
Grade		Sx. Cmt	325 sx	TOC @	

Intermediate Casing (Pulled from Well/Not Cemented)

Size (OD)	7"	Weight	24.0#	Depth	1,161'	Pulled
Grade		Sx. Cmt		TOC @		

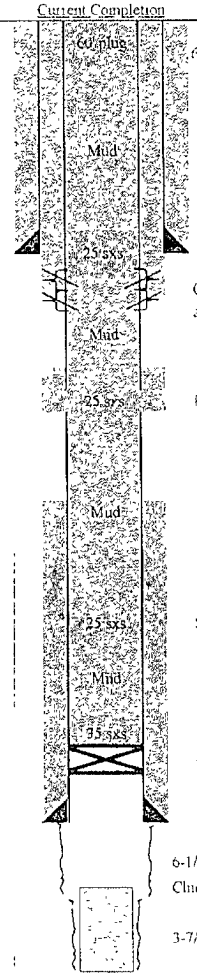
Production Casing

Size (OD)	4 1/2"	Weight	9.5#	Depth	3,286'	
Grade		Sx. Cmt	210 sx	TOC @	1,736'	Calculated

P&A Procedure
POOH w/ 2-3/8" tbg
RIH & set CIBP at 3236' w/ 35 sxs cmt on top
RIH & tag top of CIBP
Circ the hole with mud laden fluid
RIH & set a 25 sx cement plug inside the 4-1/2" csg @ 2460 (covers the base of salt)
WOC & tag no lower than 2360'
Perf the 4-1/2" csg at 1230' and sqz 25 sx of cmt (covers the top of salt)
WOC & tag no lower than 1130'
Set 25 sx plug f/ 760' - 603'
WOC & tag no lower than 604'
Plug out well w/ cmt from 60' to surface
Set the dry hole marker and clean up location

Formation Record	Depth
Anhydrite	1,030'
T/ Salt	1,180'
B/ Salt	2,410'
Queen	3,435'

Current Completion



60' Cmt to surf

8-5/8" Set @ 727' in 10" OD Hole
Set 25 sx plug f/ 760' - 603'
Csg leak indentified f/ 719 - 750', will take 3bbl/min at 80 psi & circ to surface, Sqz'ed w 325 sxs

Perf & sqz 25 sxs cmt @ 1230'

TOC @ 1,736' (Calculated)

Set a 25 sxs cmt plug w/ 2360'

CIBP @ 3236' w/ 35 sxs cmt on top

4-1/2" Set @ 3,286' in 6-1/4" OD Hole

6-1/4" OH f/ 3,286 - 3,535'
Clnd out fill to 3,530' (1/1991)

3-7/8" OH f/ 3,535 - 3,555'

Tubing Detail: (2/7/91)
102 Jts 2-3/8" Cmt lined tbg (3,209.23')
4-1/2" AD-1 Pkr @ ~ 3,209'

Current Perforations

Top	Bot	Ft	Shots	
3,286'	3,530'	244'	OH	1/30/1991
3,530'	3,555'	25'	OH	Fill

Plug Back Depth	3,530'	1/30/1991
Total Depth	3,555'	8/25/1969