

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

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.

JUL 24 2012

RECEIVED

5. Lease Serial No
NMLC029512C

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8 Well Name and No
~~Multiple - See Attached~~ **Sinagua 18 Federal #002**

2. Name of Operator Contact: TERRY B CALLAHAN
LINN OPERATING INCORPORATED E-Mail: tcallahan@linnenergy.com

9. API Well No.
~~Multiple - See Attached~~ **30-025-32694**

3a Address
600 TRAVIS STREET SUITE 5100
HOUSTON, TX 77002

3b. Phone No (include area code)
Ph: 281-840-4272

10 Field and Pool, or Exploratory
QUAIL RIDGE
TEAS

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

~~Multiple - See Attached~~ **J-18-20s-34e, 204 1/2 & 217 1/2**

11 County or Parish, and State

LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 recomplete 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 recompletion 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.)

THE SINAGUA 18 FEDERAL #002 WAS PRODUCING 16 BOPD AND 200 BWPD, BUT KEPT FAILING, SO THE DECISION WAS MADE TO SWITCH TO ELECTRICITY. WE MIRU ON 7/6/2012 AND PREPPED TO RTP, BY BUILDING AN ELECTRIC LINE. EXCEL WILL NOT BE ABLE TO MAKE THE ELECTRICITY HOT FOR ANOTHER 3 WEEKS.

WE WOULD LIKE TO REQUEST A 30 DAY EXTENSION IF POSSIBLE, UNTIL THE WELL IS BROUGHT ONLINE.

Verbal Approval Given 7/12/2012

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

Electronic Submission #142619 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by BEVERLY WEATHERFORD on 07/11/2012 (12BMW0104SE)

Name (Printed/Typed) TERRY B CALLAHAN	Title REGULATORY SPECIALIST III
Signature (Electronic Submission)	Date 07/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>LEAD PET</u>	Date <u>07/21/2012</u>
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 Hobbs

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.

Additional data for EC transaction #142619 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC029512C	NMLC029512C	SINAGUA 18 FC 2	30-025-32694-00-S1	Sec 18 T20S R34E NWSE 2041FSL 2171FEL
NMLC029512C	NMLC029512C	SINAGUA 18 FC 2	30-025-32694-00-S2	Sec 18 T20S R34E NWSE 2041FSL 2171FEL
NMLC029512C	NMLC029512C	SINAGUA 18 FC 2	30-025-32694-00-S3	Sec 18 T20S R34E NWSE 2041FSL 2171FEL