

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

HOBBS OCD

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

MAR 28 2014

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

RECEIVED

WELL API NO. 30-025-36832
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name EAST HOBBS SAN ANDRES UNIT
8. Well Number: 505
9. OGRID Number 269324
10. Pool name or Wildcat HOBBS; SAN ANDRES, EAST

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator LINN OPERATING, INC.	
3. Address of Operator 600 TRAVIS, SUITE 5100, HOUSTON, TEXAS 77002	
4. Well Location Unit Letter <u>J</u> <u>1720</u> feet from the <u>S</u> line and <u>2340</u> feet from the <u>E</u> line Section <u>30</u> Township <u>18S</u> Range <u>39E</u> NMPM LEA County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3604' DF Elevation	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: FAILED BHT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

Failed Bradenhead test. Replace wellhead valve, contact OCD and re-run Bradenhead test.

Attached:
Current Wellbore Diagram
Failed BHT
Letter of Violation

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 B. Callahan TITLE: Regulatory Compliance Specialist III DATE March 27, 2014

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

APPROVED BY: Mahesh Brown TITLE: Compliance Officer DATE 3/28/2014
Conditions of Approval (if any):

MAR 31 2014

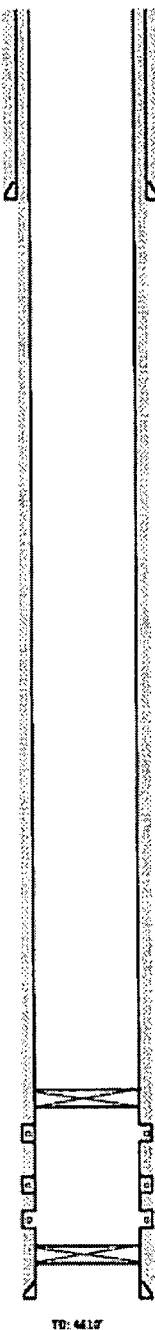
Well Name: East Hobbs San Andres Unit 505

Location:	
Location:	1720 FSL & 2340 FEL
Section:	J-30-185-35E
Block:	
Survey:	
County:	Lea
Lat/Long:	32.7154509906607 -103.083681759177
Field:	
Elevations:	
GL:	3607
RKB:	
KB-GL Calc:	3619'
ck w/Log?	

Logline Requirements:

Date	History
10/18/2004	Spud well. Drilled to 1907'. Set 8 3/8" 248, 1-55 surf csg and cmt'd w/9300 sa. Cmt 1300 sa to gel
10/26/2004	Drilled to 4615'. Set 114 lbs of 3-1/2" 178 prod csg @ 4615' cmt'd w/10100 sa. Cmt to surf
	Moved in Lufkin/Morgan pumping unit, tbg 2-7/8", tagged cmt @ 4572'. Perf'd P4 4573-4592' and P3 4529-4551' w/whit a total of 82 holes; acidized w/2500 gal 15% NEFF, swabbed well
11/5/2004	Fluid level 2800'. Perf'd P2 4489-4493' & 4493-4514'. Pumped 1500 gal 15% NEFF HCL
11/10/2004	Initiated beam pumping operation
1/23/2005	Attempt to squeeze P3 zone with 253 sa Cs Cement. Had blow on casing.
	Tagged cmt @ 2300'. Over next few days, drilled out to 4514', bit of P2, pressured up to 1200#, held ok
2/18/2005	Dr-dgd to 4555', cleaned sand to 4563', pressured up to 500#, held ok
	Re-Acidized P4, had pressure communication. Moved packer uphole and pumped into P2/P3, perf's started taking fluid @ 945# and then went on vacuum
3/1/2005	Swabbed P1/P4 in communication. P3 swabbed individually
3/1/2005	Swabbed P1/P4 in communication. P3 swabbed individually
3/4/2005	Ran production equipment in hole, producing from P2-P4.
10/8/2013	MIT passed, witnessed by OCD

Original Wellbore Diagram



Well Name:	East Hobbs San Andres Unit 505
API No:	30-015-35832
Spud Date:	10/18/2004
WBO Update:	B. Williams 3/27/2014

Hole Size:	12-1/4"
Surf Csg:	8-5/8", 248, 1-55
Cement Blend:	
Depth:	530 sa
TDC:	1907'

Hole Size:	
Int Csg:	
Cement Blend:	
Returns:	
TDC:	

Details of Perforations and Treatment

(11/10/2004) Perfs 4489-4514' & 4529-4592' (122 holes @ 240#)
 Acidized Perfs 4329-92' w/2500 gal 15% NEFF HCL
 Acidized Perfs 4489-4514' w/1500 gal 15% NEFF HCL

Tubing Data:	
Joints	Description
141	134 JTS 2 7/8" TBG, TAC, 6 JTS 2 7/8" TBG, SN, 4' PERF SUB, 1 FT MA & BP.
Depth	4572

Rod Detail (top to bottom)	
Rods	Description
1	2 1/2" x 2" x 20' pump w/ 20' GA
10	1 1/2" thbars
94	3/4" rods
74	7/8" rods
1	8", 6", 4", 2"
1	1 1/4" x 22' PP
	Total depth = 4532

Hole Size:	7-7/8"
Prod Csg:	5-1/2", 15.5#
Capacity (bbl/ft):	
Cement Blend:	1010 sa
Depth:	4615'
TDC:	Cmt to surf

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



20-Mar-14

Response Required – Deadline Enclosed

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

LINN OPERATING, INC.
600 TRAVIS SUITE 5100
HOUSTON TX 77002

LETTER OF VIOLATION -

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

EAST HOBBS SAN ANDRES UNIT No.505		J-30-18S-39E		30-025-36832-00-00	
Inspection				*Significant	Corrective
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:
03/18/2014	Bradenhead	Bill	Yes	No	6/21/2014
Comments on Inspection:		Surface Bradenhead valve would not open. Valve should be replaced and test rescheduled.			
Inspection No. iWCS1407928240					

March 20, 2014

Page 2

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,



Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.