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

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

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-07943

5. Indicate Type of Lease
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
EAST HOBBS SAN ANDRES UNIT

1. Type of Well: Oil Well ☐ Gas Well ☒ Other INJECTION

HOBBSOCD

8. Well Number 715

2. Name of Operator
LINN OPERATING, INC.

JUN 23 2015

9. OGRID Number 269324

3. Address of Operator
600 TRAVIS, SUITE 5100, HOUSTON, TEXAS 77002

RECEIVED

10. Pool name or Wildcat
HOBBS;SAN ANDRES, EAST

4. Well Location
Unit Letter N :660 feet from the S line and 2103 feet from the W line
Section 29 Township 18S Range 39E NESW LEA County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☒	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			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.

Please see attached MIT Repair Procedure, passed MIT Chart and Well Bore Diagram for this failed MIT. Please resolve the enclosed Letter of Violation at your earliest convenience.

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 Laura A. Moreno TITLE REG COMPLIANCE ADVISOR DATE 6-22-15

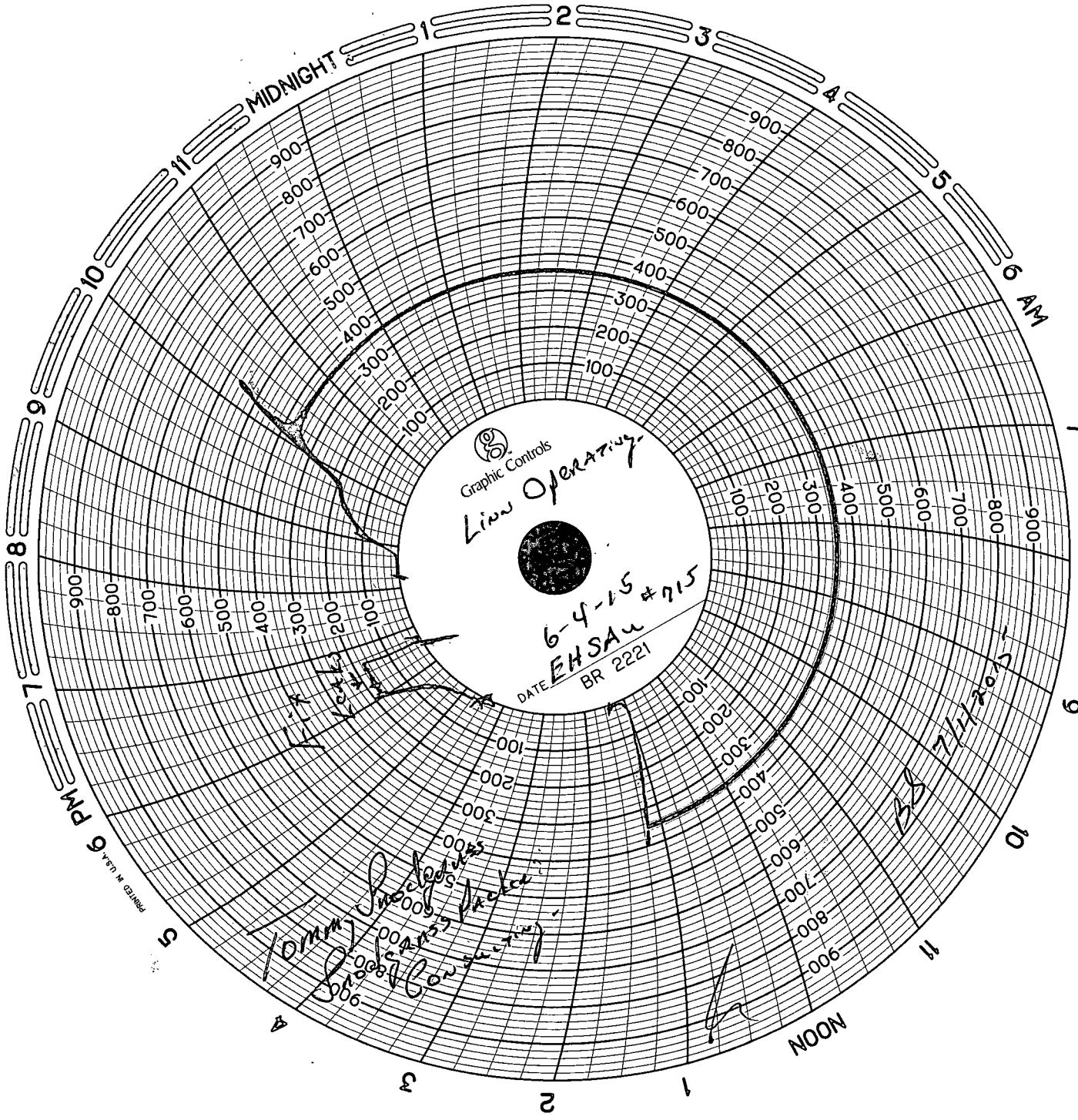
Type or print name LAURA A. MORENO E-mail address: lmoreno@linnenergy.com PHONE: 713-904-6657

For State Use Only

APPROVED BY: Bill Samanaka TITLE Staff Manager DATE 7/1/2015

Conditions of Approval (if any):

JUL 23 2015


MIDNIGHT
NOON
6 AM
6 PM
Graphic Controls
Linn Operating
6-4-15 #715
DATE EHSAN
BR 2221
PRINTED IN U.S.A.

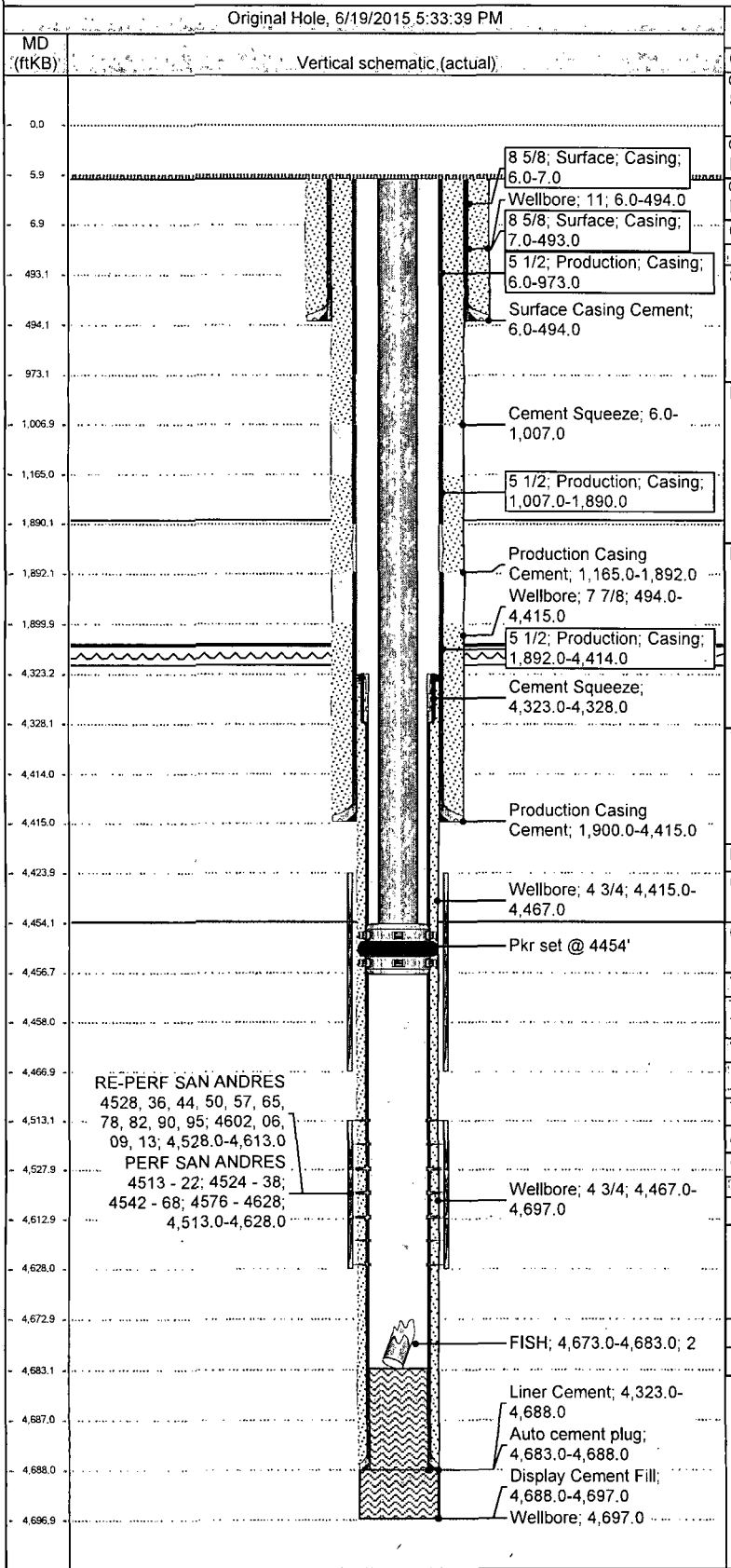
LINN Energy

NM Sundry Schematic

Well Name: EHSAU 715

API/UWI	Field Name	County	State/Prov	Section	Township	Range	Survey	Block
3002507943	PBNM - PB - EHSAU	Lea	NM	29	018-S	039-E		

Ground Elevation (ft)	Orig KB Elev (ft)	KB-Grd (ft)	Initial Spud Date	Rig Release Date	TD Date	Latitude (°)	Longitude (°)	Operated?
3,597.00	3,603.00	6.00	11/14/1951			32° 42' 46.214" N	103° 4' 9.524" W	Yes



Original Hole Data

Casing Strings

Casing Description	Set Dept...	Run Date	OD Nom...	ID Nom...	Wt/Len (l...	String Grade
Surface	494.0	11/15/1951	8 5/8	8.017	28.00	H-40
Production	4,415.0	12/5/1951	5 1/2	4.95	15.50	J-55
Liner	4,688.0	7/28/1997	4		11.60	J-55

Cement Stages

Des	Top (ftKB)	Btm (ftKB)	Com
Surface Casing Cement	6.0	494.0	CEMENT W/ 485 SXS NEAT REGULAR BULK CEMENT . CIRCULATED 100 SXS TO SURFACE
Production Casing Cement	1,165.0	1,892.0	TOC 1165' RAN BY TEMP SURVEY ON 12/5/1951. CEMENT 2ND STAGE W/ 200 SXS LONE STAR & 2% GEL. DV TOOL 1896'
Production Casing Cement	1,900.0	4,415.0	TOC 1900' BY CALCULATION USING 1.06 CUFT/SX & 75% EFFICIENCY. CEMENT 1ST STAGE W/550 SXS LONE STAR BULK CEMENT & 2% GEL
Liner Cement	4,323.0	4,688.0	CEMENT W/ 50 SXS CLASS 'H' W/ 3% KCL. CIRCUALTED 10 BBLS TO SURFACE
Display Cement Fill	4,688.0	4,697.0	
Cement Squeeze	4,323.0	4,328.0	SQUEEZED LINER TOP W/ 200 SXS
Cement Squeeze	6.0	1,007.0	SQUEEZED CSG HOLE w/ 150 SXS

Tubing Strings

Tubing Description	Set Depth...	Run Date	Pull Date
Tubing - Production	4,456.8	6/4/2015	

Tubing Components

Item Des	Set Depth (ftKB)	OD (in)	Wt (lb/ft)	Grade	Run Date
Tubing IPC	4,456.8	2 3/8			6/4/2015
Arrowset Packer	4,456.8	4			6/4/2015

Other In Hole

Des	Top (ftKB)	Btm (ftKB)	Run Date	Com
FISH	4,664.0	4,467.0	6/12/1997	MULE SHOE
FISH	4,673.0	4,683.0	7/28/1997	LOST 10' STRIP GUN W/ COLLAR LOCATOR IN HOLE. DID NOT FISH
PACKER	4,071.7	4,074.7	6/13/2005	
PACKER	4,463.4	4,466.4	6/13/2005	

EHSAU #715

API (30-025-07943)

FAILED MIT REPAIR PROCEDURE

5/22/15: MIRU service rig. Pick up tubing and lower to tag fill, tagged @ 4630'. TOH w/ injection tubing and packer. TIH w/ workstring, RBP and packer. Set RBP @ 4460'.

5/26/15: Tested packer to 300#, held. Isolated casing leak between 973' and 1007', pumped into @ 2 bpm @ 1000#.

5/27/15: RU wireline. Run casing inspection log. Found bad spot @ 972'.

5/28/15: TIH w/ packer, set @ 520'. Pumped 150 sx Class C Neat cement w/ 2% calcium chloride w/ 35 bbl slurry. SI for 2 hours. Rolled pump over, pressured up to 1500# w/ no rate. SI w/ 1500# on cement squeeze. RD cement unit.

5/29/15: Wait on cement.

6/1/15: Unseat packer. TOH w/ workstring and packer. TIH w/ bit, bit sub and collars. Tag cement.@ 532'. RU reverse unit, drilled from 532'-612'. Circulate well clean.

6/2/15: Started drilling cement @ 612'. Stopped drilling @ 905'. Circulated well clean.

6/3/15: Started drilling cement @ 905', fell out of cement @ 995'. RIH w/ top of liner @ 4323'. Tested casing to 420# for 30 min, lost 20# in 35 min. TOH w/ drill collars, LD. RIH w/ retrieving head. Released RBP and POOH. LD workstring.

6/4/15: Finish TOH w/ workstring and LD. RU tubing testers. TIH testing IPC tubing. RD testers. Set packer @ 4454', released on/off tool, flange up well, circulate packer fluid. Run MIT @ 360# for 35min, held. Contacted Maxey Brown prior to running chart. Waived witness.

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

David Catanach, Director
Oil Conservation Division

Response Required - Deadline Enclosed

Underground Injection Control Program
"Protecting Our Underground Sources of Drinking Water"

19-Feb-15

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

LETTER OF VIOLATION and SHUT-IN DIRECTIVE
Failed Mechanical Integrity Test

Dear Operator:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

MECHANICAL INTEGRITY TEST DETAIL SECTION

EAST HOBBS SAN ANDRES UNIT No.715 — **30-025-07943-00-00**

Active Injection - (All Types) — N-29-18S-39E

Test Date:	2/2/2015	**Permitted Injection PSI:**		**Actual PSI:**	
Test Reason:	Annual IMIT	**Test Result:**	F	**Repair Due:**	5/8/2015
Test Type:	Std. Annulus Pres. Test	**FAIL TYPE:**	Other Internal Failure	**FAIL CAUSE:**	

Comments on MIT: MB test passed but MIT TEST FAILED. OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.11.

Relief 6-4-15
Passed
BS
7/1/2015

In the event that a satisfactory response is not received to this letter of direction by the "Repair Due:" date shown above, or if the well(s) are not immediately shut-in, 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,

Bill Hamman

Hobbs OCD District Office

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise, every 5 years; Bradenhead Tests are performed annually. Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. "Failure Type" and "Failure Cause" and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. * Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.