

LINN ENERGY, LLC  
Form 10-Q  
April 26, 2012

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

for the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 000-51719

LINN ENERGY, LLC  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation  
or organization)

600 Travis, Suite 5100

Houston, Texas

(Address of principal executive offices)

65-1177591  
(IRS Employer  
Identification No.)

77002

(Zip Code)

(281) 840-4000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405)

during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of March 31, 2012, there were 199,330,596 units outstanding.

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GLOSSARY OF TERMS

As commonly used in the oil and natural gas industry and as used in this Quarterly Report on Form 10-Q, the following terms have the following meanings:

Bbl. One stock tank barrel or 42 United States gallons liquid volume.

Bcf. One billion cubic feet.

Bcfe. One billion cubic feet equivalent, determined using a ratio of six Mcf of natural gas to one Bbl of oil, condensate or natural gas liquids.

Btu. One British thermal unit, which is the heat required to raise the temperature of a one-pound mass of water from 58.5 degrees to 59.5 degrees Fahrenheit.

MBbls. One thousand barrels of oil or other liquid hydrocarbons.

MBbls/d. MBbls per day.

Mcf. One thousand cubic feet.

Mcfe. One thousand cubic feet equivalent, determined using the ratio of six Mcf of natural gas to one Bbl of oil, condensate or natural gas liquids.

MMBbls. One million barrels of oil or other liquid hydrocarbons.

MMBoe. One million barrels of oil equivalent, determined using a ratio of one Bbl of oil, condensate or natural gas liquids to six Mcf.

MMBtu. One million British thermal units.

MMcf. One million cubic feet.

MMcf/d. MMcf per day.

MMcfe. One million cubic feet equivalent, determined using a ratio of six Mcf of natural gas to one Bbl of oil, condensate or natural gas liquids.

MMcfe/d. MMcfe per day.

MMMBtu. One billion British thermal units.

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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

LINN ENERGY, LLC  
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2012	December 31, 2011
	(Unaudited)	
	(in thousands, except unit amounts)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$24,184	\$ 1,114
Accounts receivable – trade, net	290,528	284,565
Derivative instruments	343,764	255,063
Other current assets	83,799	80,734
Total current assets	742,275	621,476
Noncurrent assets:		
Oil and natural gas properties (successful efforts method)	9,128,856	7,835,650
Less accumulated depletion and amortization	(1,145,113)	(1,033,617)
	7,983,743	6,802,033
Other property and equipment	413,308	197,235
Less accumulated depreciation	(52,228 )	(48,024 )
	361,080	149,211
Derivative instruments	357,836	321,840
Other noncurrent assets	132,158	105,577
	489,994	427,417
Total noncurrent assets	8,834,817	7,378,661
Total assets	\$9,577,092	\$ 8,000,137
<b>LIABILITIES AND UNITHOLDERS' CAPITAL</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$403,756	\$ 403,450
Derivative instruments	16,991	14,060
Other accrued liabilities	95,704	75,898
Total current liabilities	516,451	493,408
Noncurrent liabilities:		
Credit facility	75,000	940,000
Senior notes, net	4,854,542	3,053,657
Derivative instruments	4,214	3,503
Other noncurrent liabilities	99,467	80,659
Total noncurrent liabilities	5,033,223	4,077,819
Commitments and contingencies (Note 10)		
Unitholders' capital:		
	3,356,064	2,751,354

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199,330,596 units and 177,364,558 units issued and outstanding at March 31, 2012, and December 31, 2011, respectively

Accumulated income	671,354	677,556
	4,027,418	3,428,910
Total liabilities and unitholders' capital	\$9,577,092	\$ 8,000,137

The accompanying notes are an integral part of these condensed consolidated financial statements.

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LINN ENERGY, LLC  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	Three Months Ended March 31,	
	2012	2011
	(in thousands, except per unit amounts)	
Revenues and other:		
Oil, natural gas and natural gas liquids sales	\$348,895	\$240,707
Gains (losses) on oil and natural gas derivatives	2,031	(369,476 )