

LINN ENERGY, LLC
Form 8-K
July 09, 2007

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Item 8.01 Other Events.

On July 5, 2007, Linn Energy, LLC (the Company) entered into contracts (the Hedging Contracts) to reduce oil and gas price risk exposures related to its recently announced agreement to acquire certain oil and gas properties in the Mid-Continent region from Dominion Resources, Inc. (the Dominion Acquisition).

The Hedging Contracts include a commitment to enter into price swaps upon consummation of the Dominion Acquisition. The Hedging Contracts also include deferred premium put options at fair value at the purchase date, for which the Company expects to pay the counterparty on October 1, 2007. The Hedging Contracts cover 40 Bcf of gas and 800,000 Bbls of oil per year for 2008 through 2012, or five years, with weighted average swap and put prices of \$8.50 for gas and \$73.50 for oil. In addition, the contracts cover 7.8 Bcf of gas and 157,000 Bbls of oil for the fourth quarter of 2007, with weighted average swap and put prices of \$8.54 for gas and \$73.78 for oil.

The Company entered into the Hedging Contracts in order to achieve a more predictable cash flow from the oil and gas production related to the properties to be acquired in the Dominion Acquisition by reducing its exposure to price fluctuations.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Linn Energy, LLC

Date: July 9, 2007

/s/ Charlene A. Ripley
Charlene A. Ripley
Senior Vice President, General
Counsel and Corporate
Secretary