

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | |
|---|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMLC029435B |
| 2. Name of Operator LINN OPERATING INC | | 6. If Indian, Allottee or Tribe Name |
| Contact: TERRY B CALLAHAN E-Mail: tcallahan@linnenergy.com | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3a. Address 600 TRAVIS, SUITE 5100 HOUSTON, TX 77002 | 3b. Phone No. (include area code) Ph: 281-840-4272 | 8. Well Name and No. J L KEEL B 27 41 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T17S R31E Mer NMP NWSE 1980FSL 1980FEL 32.847290 N Lat, 103.888980 W Lon | | 9. API Well No. 30-015-10372 25980 |
| | | 10. Field and Pool, or Exploratory GRAYBURG JACKSON;SR-Q-G-S |
| | | 11. County or Parish, and State EDDY COUNTY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" 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 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 recompleat 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 recompleat 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.)

REQUEST TO FLARE 132 MCF/D FROM THE NMLC029435B FOR 90 DAYS. WE REQUEST TO FLARE DUE TO FRONTIER CONDUCTING AN INSPECTION OF ITS 12" PRESSURE PIPELINE WHICH AFFECTS OUR J L KEEL B BATTERY.

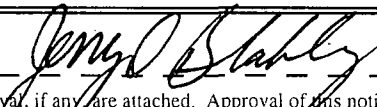
API Well Name Well Number Type Lease Status
30-015-10372 J L KEEL B #027 Oil Federal Active
30-015-25980 J L KEEL B #041 Oil Federal Active
30-015-26061 J L KEEL B #044 Oil Federal Active
30-015-26100 J L KEEL B #046 Oil Federal Active
30-015-31192 J L KEEL B #048Q Oil Federal Active
30-015-29880 J L KEEL B #049 Oil Federal Active
30-015-28096 J L KEEL B #050 Oil Federal Active
30-015-28097 J L KEEL B #051 Oil Federal Active

RECEIVED
JUL 09 2013
SUBJECT: NMLC029435B
APPROVAL BY STATE

Accepted for record
NMLC029435B
CRDcd 7/9/13
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | |
|---|-------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #207700 verified by the BLM Well Information System For LINN OPERATING INC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 05/21/2013 () | |
| Name (Printed/Typed) TERRY B CALLAHAN | Title REG COMPLIANCE SPECIALIST III |
| Signature (Electronic Submission) | Date 05/16/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | | |
|---|--------|--------------------------|------|
| Approved By  | Title | APPROVED JUL - 3 2013 | Date |
| 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 | | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and fraudulently to make any statement or representation to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #207700 that would not fit on the form

32. Additional remarks, continued

30-015-28098 J L KEEL B #052 Oil Federal Active
30-015-28092 J L KEEL B #054 Oil Federal Active
30-015-28291 J L KEEL B #055 Oil Federal Active
30-015-28100 J L KEEL B #056 Oil Federal Active
30-015-28079 J L KEEL B #057 Oil Federal Active
30-015-28077 J L KEEL B #058 Oil Federal Active
30-015-28101 J L KEEL B #059 Oil Federal Active
30-015-28223 J L KEEL B #060 Oil Federal Active
30-015-28292 J L KEEL B #061 Oil Federal Active
30-015-28293 J L KEEL B #062 Oil Federal Active
30-015-28224 J L KEEL B #064 Oil Federal Active
30-015-28317 J L KEEL B #067 Oil Federal Active
30-015-28225 J L KEEL B #068 Oil Federal Active
30-015-29820 J L KEEL B #069 Oil Federal Active
30-015-28290 J L KEEL B #070 Oil Federal Active
30-015-28250 J L KEEL B #071 Oil Federal Active
30-015-28571 J L KEEL B #073 Oil Federal Active
30-015-28593 J L KEEL B #074 Oil Federal Active
30-015-28579 J L KEEL B #075 Oil Federal Active
30-015-28296 J L KEEL B #078 Oil Federal Active
30-015-28253 J L KEEL B #080 Oil Federal Active
30-015-28252 J L KEEL B #081 Oil Federal Active
30-015-28307 J L KEEL B #082 Oil Federal Active
30-015-28308 J L KEEL B #083 Oil Federal Active
30-015-28551 J L KEEL B #084 Oil Federal Active
30-015-28297 J L KEEL B #085 Oil Federal Active
30-015-28484 J L KEEL B #086 Oil Federal Active
30-015-28249 J L KEEL B #087 Oil Federal Active
30-015-28441 J L KEEL B #088 Oil Federal Active
30-015-28261 J L KEEL B #089 Oil Federal Active
30-015-28248 J L KEEL B #090 Oil Federal Active
30-015-28442 J L KEEL B #091 Oil Federal Active
30-015-28256 J L KEEL B #092 Oil Federal Active
30-015-28251 J L KEEL B #094 Oil Federal Active

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

7/2/2013

Condition of Approval to Flare Gas

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared.
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JDB722013