

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION

811 S. FIRST STREET
ARTESIA, NM 88210FORM 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 INCORPORATED E-Mail: tcallahan@linnenergy.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 600 TRAVIS STREET SUITE 5100 HOUSTON, TX 77002 | 3b. Phone No. (include area code) Ph: 281-840-4272 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 5 T17S R31E NWNE 660FNL 1980FEL | | 8. Well Name and No. J L KEEL B 41 |
| | | 9. API Well No. 30-015-25980-00-S1 ✓ |
| | | 10. Field and Pool, or Exploratory GRAYBURG |
| | | 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 | Venting and/or Flaring |
| | <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.)

LINN HAS BEEN FLARING 102 MCF/D SINCE 1/24/2014 FROM NMLC029435A AND WOULD ASK PERMISSION TO FLARE FOR 15 DAYS DUE TO FRONTIER GAS PLANT BEING DOWN.

PLEASE NOTE: THE FLARE PERMIT WAS SUBMITTED BUT SOMEHOW DID NOT MAKE IT THROUGH THE WIS SYSTEM POSSIBLY DUE TO BAD WEATHER IN HOUSTON (A MESSAGE WITH JERRY BLAKLEY WHEN CONFIRMATIONS WEREN'T EMAILED).

THE WELLS GOING INTO THE KEEL B BATTERY ARE LISTED BELOW:

API Well Name Well Number Type Lease Status
30-015-25980 J L KEEL B #041 Oil Federal Active
30-015-26061 J L KEEL B #044 Oil Federal Active

SEE ATTACHED FOR
CONDITIONS OF APPROVAL
N.M. OIL CONSERVATION
ARTESIA DISTRICT

2/13/15
Accepted for record
NMOC

| | | | |
|--|-------------------------------------|--------------|------------|
| 14. I hereby certify that the foregoing is true and correct. | | FEB 13 2015 | |
| Electronic Submission #233817 verified by the BLM Well Information System For LINN OPERATING INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by MEIGHAN SALAS on 04/30/2014 (14MMS0020SE) | | RECEIVED | |
| Name (Printed/Typed) TERRY B CALLAHAN | Title REG COMPLIANCE SPECIALIST III | | |
| Signature (Electronic Submission) | Date 01/30/2014 | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | |
| Approved By _____ | | Title _____ | 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 willfully to make any statement or representation to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | | | |

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #233817 that would not fit on the form

32. Additional remarks, continued

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
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

J L Keel B 41
30-015-25980
LINN Operating Incorporated
February 10, 2015
Conditions of Approval

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. Include meter serial number on sundry.
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 to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
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.

021015 JAM