

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD  
MAY 06 2013  
RECEIVED

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-129  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

NFO Permit No. \_\_\_\_\_  
(For Division Use Only)

## APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant LINN OPERATING,  
whose address is 600 Travis Street, Suite 5100, Houston, TX 77002,  
hereby requests an exception to Rule 19.15.18.12 for 90 days or until  
August 1, Yr 2013, for the following described tank battery (or LACT):  
Name of Lease South Leonard Queen Unit Name of Pool: Leonard Queen, South  
Location of Battery: Unit Letter J Section 16 Township 17S Range 31E  
Number of wells producing into battery: 4 State (see attached list)
- B. Based upon oil production of 8 barrels per day, the estimated \* volume  
of gas to be flare is 10 MCF; Value \$43 per day.
- C. Name and location of nearest gas gathering facility:  
Frontier's sales point on lease
- D. Distance 0 Estimated cost of connection: No other options
- E. This exception is requested for the following reasons:  
Southern Union Gas Plant has a turbine down and no estimated time of repair.

### OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation  
Division have been complied with and that the information given above  
is true and complete to the best of my knowledge and belief.

Signature Terry B. Callahan

Printed Name

& Title Terry B. Callahan (Regulatory Specialist III)

E-mail tcallahan@linnenergy.com

Date May 2, 2013

Telephone No. 281-840-4272

### OIL CONSERVATION DIVISION

Approved Until 8-1-2013

By [Signature]

Title Dist. MGR

Date 5-7-2013

\* Gas-Oil ratio test may be required to verify estimated gas volume.

MAY 20 2013

| API          | Well Name          | Well Number | Type | Lease   |
|--------------|--------------------|-------------|------|---------|
| 30-025-12052 | SOUTH LEONARD UNIT | #007        | Oil  | Private |
| 30-025-12053 | SOUTH LEONARD UNIT | #012        | Oil  | Private |
| 30-025-29018 | SOUTH LEONARD UNIT | #017        | Oil  | Private |
| 30-025-29228 | SOUTH LEONARD UNIT | #018        | Oil  | Private |