<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District III
1000 Rio Brazos Road, Aztec, NM 87410

HOBBERGO State of New Mexico Mexico Matural Resources

JUN 07 201320 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED

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. | A. Applicant Linn Operating. LLC | | | | | |
|--|---|---|---|--|--|--|
| | whose address is 600 Travis, Ste. 1400, Houston, TX 77002, | | | | | |
| | hereby requests an exception to Rule 19.15.18.12 for60days o | | | | | |
| | August 4 , Yr 2017 , for the following described tank battery (or LACT): | | | | | |
| | Name of Lease Downes A&D Name of PoolPenrose Skelly;Grayburg | | | | | |
| | Location of Battery: Unit Letter N Section 32 Township 21S Range 37E | | | | | |
| | Number of wells producing into battery 5 (see attached list) | | | | | |
| B. | Based upon oil production of3 | barrels per day, the estimated * volume | | | | |
| | of gas to be flared is40MCF/D; Value _@ \$3.04 totaling \$121.60per day. | | | | | |
| C. | Name and location of nearest gas gathering facility: Targa compressor station down. | | | | | |
| | | | | | | |
| D. | Distance 0 Estimated cost of connection No other option. | | | | | |
| E. | This exception is requested for the following reasons: Targa shut-in for maintenance. | | | | | |
| | | | | | | |
| | | | | | | |
| | Downes A #005 (API# 30-025-27735) | | | | | |
| | | | | | | |
| OPERATOR | that the rules and regulations of the Oil Conservation | L CONSERVATION DIVISION | | | | |
| Division have been complied with and that the information given above Approved Until | | | | | | |
| is the and complete to the best of my knowledge and benefit. | | | | | | |
| Signature 1 | Windy totisky By | MajeysBrown | | | | |
| Printed Name | f I | 10 7 | | | | |
| | ndy Kotesky - Regulatory Specialist Tit | le AU/II | 000000000000000000000000000000000000000 | | | |
| E-mail Addre | ess <u>mkotesky@linnenergy.com</u> Da | te 6/7/2017 | | | | |
| Date | Telephone No. 281-840-4208 | | | | | |

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

| API | Well Name | Well Number | Туре | Lease |
|--------------|------------------|-------------|------|---------|
| 30-025-27735 | DOWNES A | #005 | Oil | Private |
| 30-025-06954 | DOWNES D | #001 | Oil | Private |
| 30-025-06955 | DOWNES D | #002 | Oil | Private |
| 30-025-06956 | DOWNES D | #003 | Oil | Private |
| 30-025-24568 | DOWNES D | #004 | Oil | Private |