| Form 3160-5 (August 2007)  HOBBS  UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT  OCD Hobbs  NAR 1 Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.                       |  |  |   |   | FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010  5. Lease Serial No. NMNM05519                         |   |   |
|--|--|--|---|---|---|---|---|
|  |  |  |   |   |   |   |   |
|  |  |  |   |   | RECENT IN TRIPLICATE - Other instructions on reverse side.  |   |   |
| 1. Type of Well ☐ Gas Well ☐ Other   |  |  |   |   | 8. Well Name and No. HRU<br>MESCALERO RIDGE UNIT 202  |   |   |
| 2. Name of Operator Contact: TERRY B CALLAHAN LINN OPERATING INC E-Mail: tcallahan@linnenergy.com  |  |  |   |   | 9. API Well No.<br>30-025-21798   |   |   |
| 3a. Address       3b. Phone N         600 TRAVIS STREET, SUITE 5100       Ph: 281-8         HOUSTON, TX 77002  |  |  | o. (include area code) 40-4272 10. Field and Poo PEARL;QUE            |   |   | Exploratory   |   |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)   |  |  | 11. County or Parish  |   |   | and State   |   |
| Sec 26 T19S R34E Mer NMP SESE 330FSL 660FEL 32.625026 N Lat, 103.524604 W Lon  |  |  |   |   | LEA COUNTY,   | NM  |   |
| 12. CHECK APPI   | ROPRIATE BOX(ES) TO  | ) INDICATE   | NATURE OF   | F NOTICE, RI  | EPORT, OR OTHE  | R DATA  |   |
| TYPE OF SUBMISSION   | TYPE OF ACTION   |  |   |   |   |   |   |
| Notice of Intent   |  |  |   | _   | on (Start/Resume)   | ☐ Water Shut-Off  | F |
| ☐ Subsequent Report  | ☐ Alter Casing   | ☐ Fracture Treat ☐ Rec☐ New Construction ☐ Rec☐                                  |   |   |   | □ Well Integrity ☑ Other  |   |
| ☐ Final Abandonment Notice   | ☐ Change Plans   |  |   |   | prarily Abandon   |   |   |
| <b>_</b>   | Convert to Injection   |  |   | □ Water D   | •   |   |   |
| 13. Describe Proposed or Completed Opt If the proposal is to deepen directions Attach the Bond under which the won following completion of the involved testing has been completed. Final Attach that the site is ready for fill LINN IS REQUESTING A 90 I PRESSURE. | ally or recomplete horizontally, it will be performed or provide operations. If the operation resondonment Notices shall be file nal inspection.)  DAY PERMIT TO FLARE | give subsurface<br>the Bond No. or<br>sults in a multipled<br>and only after all | locations and mean file with BLM/B e completion or requirements, incl | sured and true ve<br>IA. Required subsecompletion in a r<br>uding reclamation | rtical depths of all perti-<br>sequent reports shall be<br>ew interval, a Form 316<br>i, have been completed, | nent markers and zones.<br>filed within 30 days<br>50-4 shall be filed once<br>and the operator has |   |
| THE WELLS AFFECTED ARE MESCALERO RIDGE UNIT #  | 262 API #30-025-21798 (  | FED OIL)   |   |   |   |   |   |
| MESCALERO RIDGE UNIT #269 API #30-025-27204 (FED OIL)  |  |  |   |   |   |   |   |
| SEE ATTACHED FOR SUBJECT TO LIKE CONDITIONS OF APPROVAL APPROVAL BY STATE  |  |  |   |   |   | ·   |   |
| 14. I hereby certify that the foregoing is   | Electronic Submission #2   | 212500 verifie   | d by the BLM W<br>NC, sent to the                                     | ell Information   | System  |   |   |
|  | by KURT SIMMONS on 07/18/2013 ()   |  |   |   |   |   |   |
| Name(Printed/Typed) TERRY B CALLAHAN   |  |  | Title REGULATORY COMPLIANCE III                                       |   |   |   |   |
| Signature (Electronic Submission)  |  |  | Date 07/02/2013   |   |   |   |   |
|  | THIS SPACE FO  | R FEDERA   | L OR STATE  | OFFICE US   |   |   |   |
| _Approved By July Stabley  |  |  | Title   | F(1 1   | TOVED   | Date  |   |
| Conditions of approval, if any, are attached. Approval of the notice does not warrant or certify that the implicant he does legal or equitable title to those rights in the subject lease which would exittle the applicant to conduct operations thereon.           |  |  | Office  | 1717 111  | 1 1 2014  |   |   |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s   | U.S.C. Section 1212, make it a tatements or representations as   | crime for any pe<br>to any matter w  | rson knowingly a<br>ithin its jurisdictio                             | nd Willfully torma  | ke to any department of<br>AND MANAGEMENT   | agency of the United  |   |

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

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

## 3/11/2014 Approved subject to Conditions of Approval. JDB

## **Condition of Approval to Flare Gas**

## From date of submission

- 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
- 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.

JDB