

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

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, Inc.,  
whose address is 600 Travis Street, Suite 5100, Houston, TX 77002,  
hereby requests an exception to Rule 19.15.18.12 for an additional 30 days or until  
October 1, 2016, for the following described tank battery (or LACT):  
Name of Lease: Hale State Name of Pool: Vacuum; Grayburg-San Andres  
Location of Battery: Unit Letter E Section 31 Township 17S Range 34E  
Number of wells producing into battery: 3 (see attached list)
- B. Based upon oil production of 5 barrels per day, the estimated \* volume  
of gas to be flared is 17 MCF/D; Value @ \$2.35 MCF for a total of \$39.95/day.
- C. Name and location of nearest gas gathering facility:  
DGP sales point on lease
- D. Distance 0 Estimated cost of connection: No other options
- E. This exception is requested for the following reasons:  
DGP Line 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 Debra J. Gordon  
Printed Name Debra Gordon  
& Title Regulatory Manager  
E-mail dgordon@linnenergy.com

Date 8/30/2016 Telephone No. 281.840.4010

**OIL CONSERVATION DIVISION**

Approved Until 10/1/2016

By Mary Brown

Title Dist Supervisor

Date 8/31/2016

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

# HALE STATE BATTERY

API	Well Name	Well Number	Type	Lease
30-025-02154	HALE STATE	#001	Oil	State
30-025-23426	HALE STATE	#002	Oil	State
30-025-39785	HALE STATE	#004	Oil	State

POOL: VACUUM; GRAYBURG/SAN ANDRES

HOBBS OCD

AUG 30 2016

RECEIVED