

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 15 days or until
September 8, Yr 2016, for the following described tank battery (or LACT):
Name of Lease East Hobbs San Andres Unit Name of Pool Hobbs; San Andres, East
Location of Battery: Unit Letter H Section 30 Township 18S Range 39E
Number of wells producing into battery 31 (See Attached Listing)
- B. Based upon oil production of 120 barrels per day, the estimated * volume
of gas to be flared is 235 MCF/D; Value @ \$2.86 MCF for a total of \$672.10 per day.
- C. Name and location of nearest gas gathering facility:
DCP Sales Point
- D. Distance 0 Estimated cost of connection No other option
- E. This exception is requested for the following reasons: _____
DCP Line Leak
(East Hobbs San Andres Unit #207 API # 30-025-37814)

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 Mindy Kotesky

Printed Name
& Title Mindy Kotesky - Regulatory Specialist

E-mail Address mkotesky@linnenergy.com

Date 08/25/2016 Telephone No. 281-840-4208

OIL CONSERVATION DIVISION

Approved Until 9/30/2016

By Mary Brown

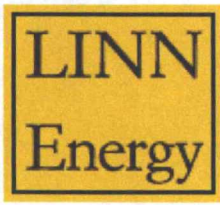
Title Dist Supervisor

Date 8/31/2016

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

EAST HOBBS SAN ANDRES UNIT

| API | Well Name | Well Number | Type | Lease |
|--------------|----------------------------|--------------------|-------------|--------------|
| 30-025-37814 | EAST HOBBS SAN ANDRES UNIT | #207 | Oil | Private |
| 30-025-39222 | EAST HOBBS SAN ANDRES UNIT | #210 | Oil | Private |
| 30-025-40322 | EAST HOBBS SAN ANDRES UNIT | #305 | Oil | Private |
| 30-025-36896 | EAST HOBBS SAN ANDRES UNIT | #308 | Oil | Private |
| 30-025-36833 | EAST HOBBS SAN ANDRES UNIT | #310 | Oil | Private |
| 30-025-40433 | EAST HOBBS SAN ANDRES UNIT | #312 | Oil | Private |
| 30-025-24338 | EAST HOBBS SAN ANDRES UNIT | #406 | Oil | Private |
| 30-025-37815 | EAST HOBBS SAN ANDRES UNIT | #407 | Oil | Private |
| 30-025-40324 | EAST HOBBS SAN ANDRES UNIT | #411 | Oil | Private |
| 30-025-07944 | EAST HOBBS SAN ANDRES UNIT | #412 | Oil | Private |
| 30-025-34513 | EAST HOBBS SAN ANDRES UNIT | #507 | Oil | Private |
| 30-025-37528 | EAST HOBBS SAN ANDRES UNIT | #508 | Oil | Private |
| 30-025-34787 | EAST HOBBS SAN ANDRES UNIT | #510 | Oil | Private |
| 30-025-37816 | EAST HOBBS SAN ANDRES UNIT | #511 | Oil | Private |
| 30-025-39197 | EAST HOBBS SAN ANDRES UNIT | #513 | Oil | State |
| 30-025-07941 | EAST HOBBS SAN ANDRES UNIT | #515 | Oil | Private |
| 30-025-34612 | EAST HOBBS SAN ANDRES UNIT | #606 | Oil | Private |
| 30-025-37818 | EAST HOBBS SAN ANDRES UNIT | #607 | Oil | Private |
| 30-025-36831 | EAST HOBBS SAN ANDRES UNIT | #608 | Oil | Private |
| 30-025-34996 | EAST HOBBS SAN ANDRES UNIT | #609 | Oil | Private |
| 30-025-29057 | EAST HOBBS SAN ANDRES UNIT | #610 | Oil | Private |
| 30-025-34013 | EAST HOBBS SAN ANDRES UNIT | #611 | Oil | Private |
| 30-025-07957 | EAST HOBBS SAN ANDRES UNIT | #706 | Oil | Private |
| 30-025-36895 | EAST HOBBS SAN ANDRES UNIT | #707 | Oil | Private |
| 30-025-07958 | EAST HOBBS SAN ANDRES UNIT | #709 | Oil | Private |
| 30-025-36893 | EAST HOBBS SAN ANDRES UNIT | #711 | Oil | Private |
| 30-025-40325 | EAST HOBBS SAN ANDRES UNIT | #805 | Oil | Private |
| 30-025-40326 | EAST HOBBS SAN ANDRES UNIT | #810 | Oil | Private |
| 30-025-39198 | EAST HOBBS SAN ANDRES UNIT | #813 | Oil | State |
| 30-025-07965 | EAST HOBBS SAN ANDRES UNIT | #911 | Oil | State |
| 30-025-07964 | EAST HOBBS SAN ANDRES UNIT | #914 | Oil | State |



HOBBS OCD
AUG 29 2016
RECEIVED

LINN OPERATING, INC

A Wholly owned subsidiary of LINN Energy, LLC
JP Morgan Chase Tower
600 Travis, Suite 5100
Houston, TX 77002
Phone: 281-840-4000
Fax: 281-840-4001
www.linnenergy.com

August 25, 2016

New Mexico Energy, Minerals & Natural Res Dept.
Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

Attention: Mr. Maxey G. Brown
District 1 Supervisor

RE: Request for Exception to No-Flare Rule 19.15.18.12
East Hobbs San Andres Unit Tank Battery – Lea County, NM

Dear Mr. Brown,

Linn Operating, Inc. is respectfully requesting an exception to the No-Flare Rule 19.15.18.12 for the East Hobbs San Andres Unit Tank Battery to commence August 25, 2016 for approximately 15 days. This exception is requested due to a DCP failure.

Should you require additional information or have any questions, please do not hesitate to contact me at mkotesky@linnenergy.com or 281.840.4208.

Thank you for your assistant and consideration.

Sincerely,


Mindy Kotesky
Regulatory Specialist

Enclosure: Form C-129
Well List by Battery

Cc/ Regulatory Well File
NM Asset Team