District | 1625 N. French Dr., Hobbs, NM 88240

CD State of New Mexico nergy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

District II 811 S. First St., Artesia, NM 88210 District III

SEP 2 0 2016

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

Submit one copy to appropriate District Office

1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505 CEIVED

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) Applicant LINN Operating, Inc. A. whose address is 600 Travis Street, Suite 5100, Houston, TX 77002 hereby requests an exception to Rule 19.15.18.12 60 days or until November 18, 2016, for the following described tank battery (or LACT): Name of Lease State 36 Name of Pool: Vacuum; Grayburg-San Andres Location of Battery: Unit Letter I Section 36 Township 17S Range 33E Number of wells producing into battery: 5 Based upon oil production of _____ 30 ___ barrels per day, the estimated * volume B. of gas to be flared is 145 MCF/D; Value @ \$3.00 MCF for a total of \$435.00/day. C. Name and location of nearest gas gathering facility: DCP sales point on lease D. Distance 0 Estimated cost of connection: No other options E. This exception is requested for the following reasons: DCP Line repair State 36 #001 (API 30-025-31182) **OPERATOR** OIL CONSERVATION DIVISION I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until is true and complete to the best of my knowledge and belief. Signature 7 By Printed Name Mindy Kotesky & Title Regulatory Specialist Title

Date

Telephone No. 281-840-4208

E-mail mkotesky@linnenergy.com

Date 9/20/2016

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

HOBBS OCD

SEP 2 0 2016

RECEIVED STATE 36 BATTERY

	API	WELL NAME	WELL#	TYPE	LEASE
1.	30-025-31182	State 36	#001	Oil	State
2.	30-025-31905	State 36	#003	Oil	State
3.	30-025-32260	State 36	#004	Oil	State
4.	30-025-36642	State 36	#005	Oil	State
5.	30-025-42005	State 36	#102	Oil	State

POOL: VACUUM; GRAYBURG/SAN ANDRES