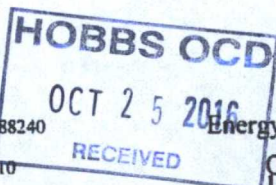


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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, Houston, TX 77002,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
January 22, Yr 2017, for the following described tank battery (or LACT):
Name of Lease Caprock Maljamar Unit Name of Pool Maljamar; Grayburg-San Andres
Location of Battery: Unit Letter H Section 18 Township 17S Range 33E
Number of wells producing into battery 29 (list attached)
- B. Based upon oil production of 63 barrels per day, the estimated * volume
of gas to be flared is 30 MCF; Value \$83.10 per day.
- C. Name and location of nearest gas gathering facility:
DCP sales point on lease
- D. Distance 0 Estimated cost of connection n/a
- E. This exception is requested for the following reasons: DCP having system issues and asked
that we flare. Did not provide timeframe for return.
Caprock Maljamar Unit #129 - 30-025-32920

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 [Signature]

Printed Name
& Title Bart Treviño, Regulatory Specialist II

E-mail Address btrevino@linnenergy.com

Date 10/25/2016 Telephone No. 713-904-6684

OIL CONSERVATION DIVISION

Approved Until 1/22/2017

By [Signature]

Title Dist Supervisor

Date 10/25/2016

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

CMU 'A' BATTERY

API	WELL NAME	NUMBER	TYPE	LEASE	STATUS
30-025-32920	CAPROCK MALJAMAR UNIT	#129	Oil	State	Active
30-025-32454	CAPROCK MALJAMAR UNIT	#130	Oil	State	Active
30-025-32455	CAPROCK MALJAMAR UNIT	#131	Oil	State	Active
30-025-32921	CAPROCK MALJAMAR UNIT	#132	Oil	State	Active
30-025-32922	CAPROCK MALJAMAR UNIT	#139	Oil	State	Active
30-025-32923	CAPROCK MALJAMAR UNIT	#140	Oil	State	Active
30-025-32838	CAPROCK MALJAMAR UNIT	#141	Oil	State	Active
30-025-32839	CAPROCK MALJAMAR UNIT	#142	Oil	State	Active
30-025-32925	CAPROCK MALJAMAR UNIT	#149	Oil	State	Active
30-025-24296	CAPROCK MALJAMAR UNIT	#150	Oil	State	Active
30-025-32926	CAPROCK MALJAMAR UNIT	#151	Oil	State	Active
30-025-32422	CAPROCK MALJAMAR UNIT	#153	Oil	State	Active
30-025-32424	CAPROCK MALJAMAR UNIT	#167	Oil	State	Active
30-025-24446	CAPROCK MALJAMAR UNIT	#179	Oil	State	Active
30-025-32423	CAPROCK MALJAMAR UNIT	#180	Oil	State	Active
30-025-32044	CAPROCK MALJAMAR UNIT	#181	Oil	State	Active
30-025-33266	CAPROCK MALJAMAR UNIT	#182	Oil	State	Active
30-025-32941	CAPROCK MALJAMAR UNIT	#196	Oil	State	Active
30-025-33271	CAPROCK MALJAMAR UNIT	#211	Oil	State	Active
30-025-33504	CAPROCK MALJAMAR UNIT	#236	Oil	State	Active
30-025-33242	CAPROCK MALJAMAR UNIT	#242	Oil	State	Active
30-025-33243	CAPROCK MALJAMAR UNIT	#243	Oil	State	Active
30-025-33244	CAPROCK MALJAMAR UNIT	#244	Oil	State	Active
30-025-33245	CAPROCK MALJAMAR UNIT	#250	Oil	State	Active
30-025-34110	CAPROCK MALJAMAR UNIT	#282	Oil	Private	Active
30-025-34194	CAPROCK MALJAMAR UNIT	#284	Oil	State	Active
30-025-34225	CAPROCK MALJAMAR UNIT	#401	Oil	State	Active
30-025-39124	CAPROCK MALJAMAR UNIT	#500	Oil	State	Active
30-025-39127	CAPROCK MALJAMAR UNIT	#506	Oil	State	Active