| HOBBS O District I 1625 N. French Dr., Hobbs, NM 88240 I 9 2016 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 Fc, NM 87505 | Energy Managela and Matural Decourses | Form C-129 Revised August 1, 2011 Submit one copy to appropriate District Office No |
|--|--|---|
| | EXCEPTION TO NO-FLARE R 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 days or until | | | | | | |
| | March 18 , Yr 2017, for the following described tank battery (or LACT): | | | | | | |
| | Name of Lease <u>Maljamar Grayburg Unit</u> Name of Pool <u>Maljamar; Grayburg-San Andres</u> | | | | | | |
| | Location of Battery: Unit Letter <u>M</u> Section <u>11</u> Township <u>17S</u> Range <u>32E</u> | | | | | | |
| | Number of wells producing into battery 7 (see attached list of wells) | | | | | | |
| B. | Based upon oil production of barrels per day, the estimated * volume | | | | | | |
| | of gas to be flared is 16MCF; Value\$54.27per 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 plant shut down with no date of return provided | | | | | | |
| | | | | | | | |
| Maljamar Grayburg Unit #067 (30-025-20140) | | | | | | | |
| | | | | | | | |
| OPERATOR | oIL CONSERVATION DIVISION | | | | | | |
| Division have be | en complied with and that the information given above Approved Until 3/18/2017 | | | | | | |
| is true and compl | ete to the best of my knowledge and belief. | | | | | | |
| Signature | By Maleys Stown | | | | | | |

Title

Date

2016

 Date
 12/19/16
 Telephone No.
 713-904-6684

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

btrevino@linnenergy.com

& Title Bart Treviño - Regulatory Specialist II

Printed Name

E-mail Address_

Maljamar Grayburg Unit Battery

| API | Well Name | Well Number | Туре | Lease | Status | |
|--------------|------------------------|-------------|------|---------|--------|--|
| 30-025-20140 | MALJAMAR GRAYBURG UNIT | #067 | Oil | Private | Active | |
| 30-025-20765 | MALIAMAR GRAYBURG UNIT | #070 | Oil | Private | Active | |
| 30-025-00555 | MALIAMAR GRAYBURG UNIT | #072 | Oil | Private | Active | |
| 30-025-33207 | MALIAMAR GRAYBURG UNIT | #079 | Oil | Private | Active | |
| 30-025-33208 | MALIAMAR GRAYBURG UNIT | #087 | Oil | Private | Active | |
| 30-025-34063 | MALIAMAR GRAYBURG UNIT | #127 | Oil | Private | Active | |
| 30-025-34064 | MALIAMAR GRAYBURG UNIT | #128 | Oil | Private | Active | |