Form 3160-5 (August 2007)

DEPAR BUREA

Artesia

FORM APPROVED B NO. 1004-0135

res: July 31, 2010

ICES AND REPORTS ON WELLS	NMLC029426B
TO OI. PAUD MININAGEMENT	Lease Serial No.
U OF LAND MANAGEMENT	Expires:
TMENT OF THE INTERIOR	OMB N
UNITED STATES	I OIGH

SUMPRIM	OTICES WAD REPORTS ON MEETS
Do not use this	form for proposals to drill or to re-enter an
abandoned well.	Use form 3160-3 (APD) for such proposals.

☐ Change Plans

Convert to Injection

abandoned we	6. If Indian, Allottee	6. If Indian, Allottee or Tribe Name					
SUBMIT IN TRIPLICATE - Other instructions on reverse side.			7. If Unit or CA/Agr	7. If Unit or CA/Agreement, Name and/or No.			
Type of Well	her ·	8. Well Name and No. H E WEST B 43					
Name of Operator LINN OPERATING INCORPO	Contact DRATED E-Mail: Imorence		9. API Well No. 30-015-26049-	-00-S1			
3a. Address 600 TRAVIS STREET SUITE HOUSTON, TX 77002	5100	3b. Phone No. (include area code Ph: 713.904.6657 Fx: 832.209.4316	or Exploratory				
4. Location of Well (Footage, Sec., 7	Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish, and State			
Sec 9 T17S R31E SWSW 660FSL 760FWL			EDDY COUNT	EDDY COUNTY, NM			
12. CHECK APP	ROPRIATE BOX(ES)	TO INDICATE NATURE OF	NOTICE, REPORT, OR OTHI	ER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	☐ Acidize	☐ Deepen ☐ Production (Start/Ro		■ Water Shut-Off			
M Motice of filterit	☐ Alter Casing	☐ Fracture Treat	□ Reclamation	■ Well Integrity			
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	Other			
Circl Abandan mont Mating	Change Place	Dlug and Abandan	Tame and the Atlantage	Venting and/or Flari			

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

☐ Plug Back

☐ Plug and Abandon

LINN RESPECTFULLY REQUESTS TO FLARE FROM 2/9/16 TO 5/9/16 AT 82 MCF/D FROM THE HE WEST B2 BATTERY DUE TO COMPRESSOR REPAIRS. PLEASE SEE ATTACHED LIST FOR THE WELLS INCLUDED IN THIS BATTERY.

Final Abandonment Notice

NM OIL CONSERVATION

ARTESIA DISTRICT

MAR 2 9 2016

SEE ATTACHED FOR CONDITIONS OF APPROVAL

☐ Temporarily Abandon

☐ Water Disposal

	la.	RECEIVED								
14. I hereby certify that the foregoing is true and correct. Electronic Submission #331418 verified by the BLM Well Information System For LINN OPERATING INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 02/17/2016 (16PP0498SE)										
Name (Printed/Typed)	LAURA A MORENO		Title	REG CO	MPLIAN	ICE AD	ISOR FO	OR NIM	71	_//
Signature	(Electronic Submission)		Date	02/11/20	16 /	/1/1	<u> NU</u>			
THIS SPACE FOR FEDERAL OR STATE OFFICE USER 2 2 2016 / /										
Approved By			Title		RILE			1	Wale /	11/1
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office			<u>Larlse</u>	ND FIELD		97		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.										

H E WEST B2 BATTERY

API	Well Name	Well Number	Type	Lease
30-015-26049	H E WEST B	#043	Oil	Federal
30-015-26099	H E WEST B	#045	Oil	Federal
30-015-27148	H E WEST B	#053	Oil	Federal
30-015-27150	H E WEST B	#054	Oil	Federal
30-015-27564	H E WEST B	#062	Oil	Federal
30-015-27480	H E WEST B	#063	Oil	Federal
30-015-27402	H E WEST B	#064	Oil	Federal
30-015-28132	H E WEST B	#073	Oil	Federal
30-015-28264	HE WEST B	#074	Oil	Federal 🗸
30-015-28314	H E WEST B	#077	Oil	Federal /
30-015-28315	H E WEST B	#079	Oil	Federal 🖊
30-015-28299	H E WEST B	#080	Oil	Federal
30-015-28316	H E WEST B	#081	Oil	Federal 🔨
30-015-28483	H E WEST B	#083	Oil	Federal
30-015-28300	H E WEST B	#084	Oil	Federal 🗸
30-015-28388	H E WEST B	#086	Oil	Federal 🖊
30-015-28468	H E WEST B	#087	Oil	Federal 🗸
30-015-28537	H E WEST B	#088	Oil	Federal 🗸
30-015-28565	H E WEST B	#089	Oil	Federal
30-015-28470	H E WEST B	#091	Oil	Federal 🖊
30-015-28538	H E WEST B	#092	Oil	Federal 🗸

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

Condition of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.