

UNITED STATES  
DEPARTMENT OF THE INTERIOR **OCD-ARTESIA**  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple--See Attached
2. Name of Operator LINN OPERATING INCORPORATED		6. If Indian, Allottee or Tribe Name
Contact: TERRY B CALLAHAN E-Mail: tcallahan@lennenergy.com		7. If Unit or CA/Agreement, Name and/or No. Multiple--See Attached
3a. Address 600 TRAVIS STREET SUITE 5100 HOUSTON, TX 77002	3b. Phone No. (include area code) Ph: 281-840-4272	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory GRAYBURG GRAYBURG JACKSON
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 recompleat 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.)

LINN IS REQUESTING A 90 DAY FLARE PERMIT EXTENSION ON THE NMLC054908 & NMLC029548A; THAT WAS APPROVED 9/29/2012. THE APPROVAL FOR AN ADDITIONAL 90 DAYS IS TO ALLOW LINN TO SIZE AND INSTALL EQUIPMENT THAT WILL ALLOW US TO MEET OUR GAS SALES PRICES.

(ATTACHED IS A COPY OF THE PREVIOUSLY APPROVED SUNDRY WHICH LINN HAS MET THE CONDITIONS OF APPROVAL)

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record  
NMOCD

**RECEIVED**  
JAN 08 2013  
NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #167847 verified by the BLM Well Information System  
For LINN OPERATING INCORPORATED, sent to the Carlsbad  
Committed to AFSS for processing by KURT SIMMONS on 12/21/2012 (13KMS4276SE)

Name (Printed/Typed) TERRY B CALLAHAN

Title REGULATORY SPECIALIST III

Signature (Electronic Submission)

Date 12/20/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By DUNCAN WHITLOCK

Title SUPERVISORY PET

Date 01/06/2013

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 Carlsbad

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.

**Additional data for EC transaction #167847 that would not fit on the form**

**5. Lease Serial No., continued**

NMLC029548A  
NMLC054908

**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC054908	NMLC054908	HUDSON FEDERAL 5	30-015-20073-00-S1	Sec 17 T17S R31E SWNW 2480FNL 1160FWL
NMLC029548A	NMLC029548A	C A RUSSELL 16	30-015-28867-00-S1	Sec 18 T17S R31E NESW 2650FSL 1880FWL
NMLC029548A	NMLC029548A	C A RUSSELL 17	30-015-28835-00-S1	Sec 18 T17S R31E SWNW 2332FNL 330FWL
NMLC054908	NMLC054908	HUDSON FEDERAL 10	30-015-28798-00-S1	Sec 18 T17S R31E SENE 1600FNL 200FEL
NMLC054908	NMLC054908	HUDSON FEDERAL 11	30-015-28962-00-S1	Sec 18 T16S R31E NENE
NMLC054908	NMLC054908	HUDSON FEDERAL 12	30-015-28834-00-S1	Sec 17 T17S R31E SWNW 2390FNL 475FWL
NMLC054908	NMLC054908	HUDSON FEDERAL 13	30-015-30995-00-S1	Sec 17 T17S R31E NWNW 990FNL 430FWL
NMLC054908	NMLC054908	HUDSON FEDERAL 14	30-015-31251-00-S1	Sec 17 T17S R31E NWNW 130FNL 790FWL
NMLC054908	NMLC054908	HUDSON FEDERAL 7	30-015-28961-00-S1	Sec 18 T17S R31E NENE 10FNL 150FEL
NMLC054908	NMLC054908	HUDSON FEDERAL 8	30-015-28888-00-S1	Sec 17 T17S R31E SWNW 1475FNL 990FWL
NMLC029548A	NMLC029548A	C A RUSSELL 12	30-015-28809-00-S1	Sec 18 T17S R31E NENW 330FNL 2050FWL
NMLC029548A	NMLC029548A	C A RUSSELL 13	30-015-28756-00-S1	Sec 18 T17S R31E NWNW 330FNL 1050FWL
NMLC029548A	NMLC029548A	C A RUSSELL 14	30-015-28799-00-S1	Sec 18 T17S R31E SWNW 1330FNL 750FWL
NMLC029548A	NMLC029548A	C A RUSSELL 15	30-015-28757-00-S1	Sec 18 T17S R31E SENW 1500FNL 1950FWL
NMLC029548A	NMLC029548A	C A RUSSELL 18	30-015-28794-00-S1	Sec 18 T17S R31E NWNE 330FNL 1350FEL
NMLC029548A	NMLC029548A	C A RUSSELL 19	30-015-28924-00-S1	Sec 18 T17S R31E NWNE 1310FNL 2150FEL
NMLC029548A	NMLC029548A	C A RUSSELL 20	30-015-28889-00-S1	Sec 18 T17S R31E SWNW 2631FNL 1050FWL
NMLC029548A	NMLC029548A	C A RUSSELL 21	30-015-28868-00-S1	Sec 18 T17S R31E SWNE 2250FNL 2000FEL
NMLC029548A	NMLC029548A	C A RUSSELL 5	30-015-05218-00-S1	Sec 18 T17S R31E SWNW 2200FNL 440FWL

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

Linn Operating, Inc.  
Hudson and C A Russell wells  
NMLC054908 and NMLC029548A

January 6, 2013

### Condition of Approval to Flare Gas

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. 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. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared.