

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 E-Mail: tcallahan@linnenergy.com Contact: TERRY B CALLAHAN		6. If Indian, Allottee or Tribe Name
3a. Address 600 TRAVIS STREET SUITE 5100 HOUSTON, TX 77002	3b. Phone No. (include area code) Ph: 281-840-4272 Fx: 281-605-4105	7. If Unit or CA/Agreement, Name and/or No. 8920002760
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached.		8. Well Name and No. 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 recomple 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.)

LINN WOULD LIKE TO REQUEST TO FLARE FOR 90 DAYS FROM THE NMNM98122. THE FLARING IS REQUIRED DUE TO THE FRONTIER GAS PLANT EXPERIENCING A LOW PRESSURE UNIT OUT.

API Well Name Well Number
30-015-05335 SKELLY UNIT #005
30-015-05326 SKELLY UNIT #006
30-015-05327 SKELLY UNIT #007
30-015-05328 SKELLY UNIT #008
30-015-05330 SKELLY UNIT #011
30-015-05323 SKELLY UNIT #013
30-015-05322 SKELLY UNIT #014
30-015-05332 SKELLY UNIT #015

RECEIVED

APR 30 2013

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****SUBJECT TO LIKE
APPROVAL BY STATE***JDado 5/1/2013*
Accepted for record

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

Electronic Submission #204002 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by JOHNNY DICKERSON on 04/12/2013 (13JLD0505SE)

Name (Printed/Typed) TERRY B CALLAHAN

Title REGULATORY SPECIALIST III

Signature (Electronic Submission)

Date 04/10/2013

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

Approved By JERRY BLAKLEY

Title LEAD PET

Date 04/27/2013

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

APR 27 2013

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Additional data for EC transaction #204002 that would not fit on the form

5. Lease Serial No., continued

NMLC029419A
NMLC029420A
NMNM98122

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM71030A	NMNM98122	SKELLY UNIT 11	30-015-05330-00-D1	Sec 21 T17S R31E NESE 1980FSL 660FEL
NMNM71030A	NMNM98122	SKELLY UNIT 11	30-015-05330-00-D2	Sec 21 T17S R31E NESE 1980FSL 660FEL
NMNM71030A	NMLC029419A	SKELLY UNIT 116	30-015-21090-00-D2	Sec 22 T17S R31E NWSW 1330FSL 130FWL
NMNM71030A	NMLC029419A	SKELLY UNIT 117	30-015-22251-00-S1	Sec 22 T17S R31E NESW 1980FSL 1880FWL
NMNM71030A	NMLC029419A	SKELLY UNIT 125	30-015-22259-00-S1	Sec 22 T17S R31E SWNW 1980FNL 560FWL
NMNM71030A	NMLC029420A	SKELLY UNIT 126	30-015-22260-00-S1	Sec 15 T17S R31E SWSW 560FSL 760FWL
NMNM71030A	NMNM98122	SKELLY UNIT 129	30-015-22263-00-S1	Sec 21 T17S R31E NENE 660FNL 760FEL
NMNM71030A	NMNM98122	SKELLY UNIT 13	30-015-05323-00-S1	Sec 21 T17S R31E NESW 1980FSL 1980FWL
NMNM71030A	NMNM98122	SKELLY UNIT 14	30-015-05322-00-S1	Sec 21 T17S R31E NWSW 1980FSL 660FWL
NMNM71030A	NMNM98122	SKELLY UNIT 15	30-015-05332-00-S1	Sec 21 T17S R31E SWSW 760FSL 660FWL
NMNM71030A	NMNM98122	SKELLY UNIT 220	30-015-28892-00-S1	Sec 21 T17S R31E SENW 1330FNL 1400FWL
NMNM71030A	NMNM98122	SKELLY UNIT 221	30-015-28893-00-S1	Sec 21 T17S R31E SWNE 1390FNL 2530FEL
NMNM71030A	NMNM98122	SKELLY UNIT 222	30-015-28894-00-S1	Sec 21 T17S R31E SENE 1380FNL 1300FEL
NMNM71030A	NMNM98122	SKELLY UNIT 223	30-015-28964-00-S1	Sec 21 T17S R31E SENE 1340FNL 120FEL
NMNM71030A	NMNM98122	SKELLY UNIT 233	30-015-29181-00-S1	Sec 21 T17S R31E SENW 2620FNL 1343FWL
NMNM71030A	NMNM98122	SKELLY UNIT 234	30-015-28783-00-S1	Sec 21 T17S R31E NESW 2602FSL 2562FWL
NMNM71030A	NMNM98122	SKELLY UNIT 235	30-015-28784-00-S1	Sec 21 T17S R31E NWSE 2600FSL 1470FEL
NMNM71030A	NMNM98122	SKELLY UNIT 246	30-015-29063-00-S1	Sec 21 T17S R31E SWSW 1306FSL 1216FWL
NMNM71030A	NMNM98122	SKELLY UNIT 247	30-015-28788-00-S1	Sec 21 T17S R31E SESW 1110FSL 2515FWL
NMNM71030A	NMNM98122	SKELLY UNIT 248	30-015-28810-00-S1	Sec 21 T17S R31E SESE 1240FSL 1190FEL
NMNM71030A	NMNM98122	SKELLY UNIT 502	30-015-37006-00-S1	Sec 21 T17S R31E NWNW 1310FNL 560FWL
NMNM71030A	NMNM98122	SKELLY UNIT 503	30-015-37008-00-S1	32.823710 N Lat, 103.881499 W Lon Sec 21 T17S R31E NENW 1310FNL 1980FWL
NMNM71030A	NMNM98122	SKELLY UNIT 5	30-015-05335-00-S1	32.823716 N Lat, 103.876855 W Lon Sec 21 T17S R31E NENW 330FNL 1650FWL 32.826408 N Lat, 103.877943 W Lon

32. Additional remarks, continued

30-015-21090 SKELLY UNIT #116
30-015-22251 SKELLY UNIT #117
30-015-22259 SKELLY UNIT #125
30-015-22260 SKELLY UNIT #126
30-015-22263 SKELLY UNIT #129
30-015-28892 SKELLY UNIT #220
30-015-28893 SKELLY UNIT #221
30-015-28894 SKELLY UNIT #222
30-015-28964 SKELLY UNIT #223
30-015-29181 SKELLY UNIT #233
30-015-28783 SKELLY UNIT #234
30-015-28784 SKELLY UNIT #235
30-015-29063 SKELLY UNIT #246
30-015-28788 SKELLY UNIT #247
30-015-28810 SKELLY UNIT #248
30-015-37006 SKELLY UNIT #502
30-015-37008 SKELLY UNIT #503

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

4/27/2013

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.
10. If flaring is still required past 90 days submit new request for approval.