

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

5. Lease Serial No.
NMLC029548A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

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 | | 8. Well Name and No. C A RUSSELL 005 |
| 2. Name of Operator LINN OPERATING, INC. Contact: TERRY B CALLAHAN E-Mail: tcallahan@linnenergy.com | | 9. API Well No. 30-015-05218 |
| 3a. Address 600 TRAVIS STREET, SUITE 5100 HOUSTON, TX 77002 | 3b. Phone No. (include area code) Ph: 281-840-4272 | 10. Field and Pool, or Exploratory GRAYBURG JACKSON;SR-Q-G-S |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T17S R31E Mer NMP SWNW 2200FNL 440FWL 32.835698 N Lat, 103.915489 W Lon | | 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 | |
| | <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 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.)

LINN IS REQUESTING TO FLARE 21 MCF/D FROM THE NMLC029548A FOR 90 DAYS BEGINNING 4/09/2013 SO WE CAN EXPLORE GAS INJECTION.

THE WELLS ARE AS FOLLOWS:

- 30-015-05218 C A RUSSELL #005 Oil Federal Active
- 30-015-28809 C A RUSSELL #012 Oil Federal Active
- 30-015-28756 C A RUSSELL #013 Oil Federal Active
- 30-015-28799 C A RUSSELL #014 Oil Federal Active
- 30-015-28757 C A RUSSELL #015 Oil Federal Active
- 30-015-28867 C A RUSSELL #016 Oil Federal Active
- 30-015-28835 C A RUSSELL #017 Oil Federal Active

R Wade 7/8/13
Accepted for record
NMOCD

RECEIVED
JUL 05 2013
NMOCD ARTESIA
SEE ATTACHED FOR

SUBJECT TO LIKE APPROVAL BY STATE

CONDITIONS OF APPROVAL

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

Electronic Submission #207372 verified by the BLM Well Information System For LINN OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 05/14/2013 ()

| | |
|---------------------------------------|-------------------------------------|
| Name (Printed/Typed) TERRY B CALLAHAN | Title REG COMPLIANCE SPECIALIST III |
| Signature (Electronic Submission) | Date 05/14/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|--|-------|-------------------|
| Approved By <i>[Signature]</i> | Title | Date JUL - 2 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 |

APPROVED
JUL - 2 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 or cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional data for EC transaction #207372 that would not fit on the form

32. Additional remarks, continued

30-015-28794 C A RUSSELL #018 Oil Federal Active
30-015-28924 C A RUSSELL #019 Oil Federal Active
30-015-28889 C A RUSSELL #020 Oil Federal Active
30-015-28868 C A RUSSELL #021 Oil Federal Active

PLEASE NOTE: THIS WAS ORIGINALLY ON ANOTHER SUNDRY REQUEST WITH THE HUDSON FEDERAL AND NOW IS BEING SEPARATED OUT.

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

7/2/2013

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.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JDB722013