

NM OIL CONSERVATION DIVISION
ARTESIA DISTRICT
EC FEB 23 2015

N.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210

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

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

RECEIVED

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.
 NMNM98122

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
 8920002760

8. Well Name and No.
 SKELLY UNIT 5

9. API Well No.
 30-015-05335-00-S1

10. Field and Pool, or Exploratory
 GRAYBURG

11. County or Parish, and State
 EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator Contact: TERRY B CALLAHAN
 LINN OPERATING INCORPORATED E-Mail: tcallahan@linnenergy.com

3a. Address 3b. Phone No. (include area code)
 600 TRAVIS STREET SUITE 5100 Ph: 281-840-4272
 HOUSTON, TX 77002

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Sec 21 T17S R31E NENW 330FNL 1650FWL
 32.826408 N Lat, 103.877943 W Lon

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 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 HAS BEEN FLARING 71 MCF/D SINCE 1/24/2014 FROM NMNM71030A AND WOULD ASK PERMISSION TO FLARE FOR 15 DAYS DUE TO FRONTIER GAS PLANT BEING DOWN.

PLEASE NOTE: THE FLARE PERMIT WAS SUBMITTED BUT SOMEHOW DID NOT MAKE IT THROUGH THE WIS SYSTEM POSSIBLY DUE TO BAD WEATHER IN HOUSTON (A MESSAGE WAS LEFT WITH JERRY BLAKLEY WHEN EMAIL CONFIRMATIONS WEREN'T RECEIVED).

THE WELLS GOING INTO THE SKELLY A BATTERY ARE LISTED BELOW:

API Well Name Well Number
 30-015-05335 SKELLY UNIT #005
 30-015-05326 SKELLY UNIT #006

**SEE ATTACHED FOR
 CONDITIONS OF APPROVAL**

Accepted for record
 RW NMOCD 3/2/15

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #233824 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by MEIGHAN SALAS on 04/30/2014 (14MMS0022SE)

Name (Printed/Typed) TERRY B CALLAHAN Title REG COMPLIANCE SPECIALIST III

Signature (Electronic Submission) Date 01/30/2014

ACCEPTED FOR RECORD
 FEB 11 2015
 BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____
 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 _____

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 #233824 that would not fit on the form

32. Additional remarks, continued

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
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

Skelly Unit 5
30-015-05335
LINN Operating Incorporated
February 17, 2015
Conditions of Approval

1. Report all volumes on OGOR B as disposition code 08.
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. Include meter serial number on sundry.
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 to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
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.

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