

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.

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. NMNM98120 |
| 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 | 7. If Unit or CA/Agreement, Name and/or No. 8920002760 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T17S R31E SWSW 1278FSL 660FWL | | 8. Well Name and No. SKELLY UNIT 78 |
| | | 9. API Well No. 30-015-05366-00-S1 |
| | | 10. Field and Pool, or Exploratory GRAYBURG |
| | | 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 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 checked="" 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 recomplate 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 recomplate 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 WAS GRANTED AUTHORIZATION TO FLARE FROM THE SKELLY B UNIT BATTERY, AS A CONDITION OF APPROVAL, LINN WAS REQUESTED TO REPORT MONTHLY FLARE GAS VOLUMES.

- JULY 2013 - 195
- AUGUST 2013 - 172
- SEPTEMBER 2013 - 40
- OCTOBER 2013 - 0
- NOVEMBER 2013 - 0

WBS 4/28/15
**Accepted for record
NMOC**

**NM OIL CONSERVATION
ARTESIA DISTRICT
APR 06 2015**

RECEIVED

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #245719 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 06/09/2014 (14CQ0319SE)**

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

Signature (Electronic Submission) Date 05/12/2014

ACCEPTED FOR RECORD

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 BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

MAR 30 2015

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 #245719 that would not fit on the form

32. Additional remarks, continued

DECEMBER 2013 - 0