

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

HOBBS OCD

OCD-HOBBS

DEC 27 2012

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: NANCY FITZWATER E-Mail: nfitzwat@linnenergy.com | | 7. If Unit or CA/Agreement, Name and/or No. 891007465B |
| 3a. Address 600 TRAVIS STREET SUITE 5100 HOUSTON, TX 77002 | 3b. Phone No. (include area code) Ph: 281-840-4266 | 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 PEARL |
| | | 11. County or Parish, and State LEA 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 Venting and/or Flaring |
| | <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.)

REQUEST TO FLARE 73 MCF/D FROM THE MNM70989C: LINN HAS SHUT IN THE MESCALERO RIDGE 26 & 35 UNITS DUE TO A FIRE AT THE DCP MIDSTREAM LINAM RANCH PLANT. WE REQUEST TO FLARE GAS UNTIL THESE REPAIRS ARE COMPLETED OR AT LEAST 90 DAYS.

THE WELLS NEEDING TO FLARE ARE AS FOLLOWS:

- MESCALERO RIDGE UNIT 26 FLARE
- API Well Name Well Number Type Lease
- 30-025-21798 MESCALERO RIDGE UNIT #262 Oil Federal
- 30-025-27204 MESCALERO RIDGE UNIT #269 Oil Federal

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #153547 verified by the BLM Well Information System
For LINN OPERATING INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 10/24/2012 (13KMS1316SE)**

| | |
|--------------------------------------|------------------|
| Name (Printed/Typed) NANCY FITZWATER | Title SUPERVISOR |
| Signature (Electronic Submission) | Date 10/05/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|-----------------------------|-----------------------|-----------------|
| Approved By DUNCAN WHITLOCK | Title SUPERVISORY PET | Date 12/22/2012 |
|-----------------------------|-----------------------|-----------------|

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 Hobbs

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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Additional data for EC transaction #153547 that would not fit on the form

5. Lease Serial No., continued

NMNM04452
 NMNM052
 NMNM05519

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|------------|-----------|-----------------------|--------------------|---------------------------------------|
| NMNM70989C | NMNM05519 | MRU 262 | 30-025-21798-00-S1 | Sec 26 T19S R34E SESE 330FSL 660FEL |
| NMNM70989C | NMNM04452 | MRU 269 | 30-025-27204-00-S1 | Sec 26 T19S R34E SESW 330FSL 2030FWL |
| NMNM70989C | NMNM052 | MRU 16 | 30-025-21858-00-S1 | Sec 35 T19S R34E SWSE 990FSL 1650FEL |
| NMNM70989C | NMNM052 | MRU 18 | 30-025-29517-00-S1 | Sec 35 T19S R34E SENW 2240FNL 2030FWL |
| NMNM70989C | NMNM052 | MRU 23 | 30-025-33660-00-S1 | Sec 35 T19S R34E NENE 1300FNL 1300FEL |
| NMNM70989C | NMNM052 | MRU 24 | 30-025-33661-00-S1 | Sec 35 T19S R34E SENE 2620FNL 1300FEL |
| NMNM70989C | NMNM052 | MRU 25 | 30-025-34164-00-S1 | Sec 35 T19S R34E NWSE 2620FSL 2620FEL |
| NMNM70989C | NMNM052 | MRU 26 | 30-025-34176-00-S1 | Sec 35 T19S R34E SWNE 1350FNL 2570FEL |
| NMNM70989C | NMNM052 | MRU 352 | 30-025-20565-00-S1 | Sec 35 T19S R34E NWSE 1980FSL 1980FEL |
| NMNM70989C | NMNM052 | MRU 353 | 30-025-20691-00-S1 | Sec 35 T19S R34E SENE 1980FNL 660FEL |
| NMNM70989C | NMNM052 | MRU 7 | 30-025-20694-00-S1 | Sec 35 T19S R34E NWNE 660FNL 1980FEL |

32. Additional remarks, continued

MESCALERO RIDGE UNIT 35 FLARE
 API Well Name Well Number Type Lease
 30-025-21858 MESCALERO RIDGE UNIT #016 Oil Federal
 30-025-29517 MESCALERO RIDGE UNIT #018 Oil Federal
 30-025-33660 MESCALERO RIDGE UNIT #023 Oil Federal
 30-025-33661 MESCALERO RIDGE UNIT #024 Oil Federal
 30-025-34164 MESCALERO RIDGE UNIT #025 Oil Federal
 30-025-34176 MESCALERO RIDGE UNIT #026 Oil Federal
 30-025-20565 MESCALERO RIDGE UNIT #352 Oil Federal
 30-025-20691 MESCALERO RIDGE UNIT #353 Oil Federal
 30-025-20694 MESCALERO RIDGE UNIT #357 Oil Federal

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

Linn Operating Inc.

December 22, 2012

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.