LINN OPERATING INCORPORATED E-Mail: nfitzwater 3a. Address 600 TRAVIS STREET SUITE 5100 HOUSTON, TX 77002 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		INTERIOR AGEMENT OCD-HORRS AGEMENT OCD-HORRS AGEMENT OCD-HORRS OCD-HORS OCD-HORRS OCD-			FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMNM13280 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. 8. Well Name and No. SMITH RANCH 11 02 9. API Well No. 30-025-31683-00-S1 10. Field and Pool, or Exploratory TEAS 11. County or Parish, and State LEA COUNTY, NM	
Sec 11 T20S R33E NESW 22	200F3L 2014FWL				LEA COUNTY,	
	ROPRIATE BOX(ES) T	O INDICATE			EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION		TYPE OF ACTION				
Notice of Intent Subsequent Report Final Abandonment Notice	 Acidize Alter Casing Casing Repair Change Plans Convert to Injection 	□ Frac □ ^{Frac} □ ^{Nev} □ ^{Plug}	□ Fracture Treat □ Recla □ New Construction □ Record		plete Other rarily Abandon ng	
Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for f REQUEST TO FLARE 59 MC AT THE DCP MIDSTREAM LI OR AT LEAST 90 DAYS.	l operations. If the operation re- bandonment Notices shall be fi inal inspection.) F/D FROM THE NMNM1	esults in a multip iled only after all 3280: LINN I	le completion or rec requirements, inclu HAS SHUT IN T	ompletion in a ding reclamatio HE SMITH R	new interval, a Form 316 n, have been completed, ANCH 11 #2 DUE 7	50-4 shall be filed once and the operator has
		SEE ATTACHED FOR CONDITIONS OF APPROVAL				
14. Thereby certify that the foregoing is Con Name(Printed/Typed) NANCY F	Electronic Submission # For LINN OPER nmitted to AFMSS for proc	ATING INCOR	PORATED, sent RT SIMMONS on	to the Hobbs	-	
Signature (Electronic Submission)			Date 10/05/2012			
	THIS SPACE F	OR FEDERA			SE	
Approved By DUNCAN WHITLOCK Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant bolds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations the subject lease			TitleSUPERVISORY PET		Date 12/22/2012	
Title 18 U.S.C. Section 1001 and Title 43 - States any false, fictitious or fraudulent	U.S.C. Section 1212, make it statements or representations a	a crime for any p is to any matter w	erson knowingly an ithin its jurisdiction	d willfully to m	ake to any department o	r agency of the United

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** BLM REVISED **

Chm

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.