

HOBBS OCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

SEP 20 2016

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12
(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant Linn Operating, Inc.,
whose address is 600 Travis Street, Suite 5100, Houston, TX 77002,

hereby requests an exception to Rule 19.15.18.12 for 60 days or until
November 18, 2016, for the following described tank battery (or LACT):

Name of Lease: Hale State Name of Pool: Vacuum:Grayburg-San Andres

Location of Battery: Unit Letter E Section 31 Township 17S Range 34E

Number of wells producing into battery: 3 (see attached list)

B. Based upon oil production of 5 barrels per day, the estimated * volume
of gas to be flared is 17 MCF/D; Value @ \$3.00 MCF for a total of \$51.00/day.

C. Name and location of nearest gas gathering facility:

DCP sales point on lease

D. Distance 0 Estimated cost of connection: No other options

E. This exception is requested for the following reasons:

DCP Line Repair

Hale State #1 (API 30-025-02154)

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature Mindy Kotesky
Printed Name Mindy Kotesky
& Title Regulatory Specialist
E-mail mkotesky@linenergy.com

Date 9/20/2016 Telephone No. 281.840.4208

OIL CONSERVATION DIVISION

Approved Until 11/30/2016

By Mary Brown

Title Dist. Supervisor

Date 9/20/2016

* Gas-Oil ratio test may be required to verify estimated gas volume.

HOBBS OCD

SEP 20 2016

HALE STATE BATTERY

RECEIVED

API	Well Name	Well Number	Type	Lease
30-025-02154	HALE STATE	#001	Oil	State
30-025-23426	HALE STATE	#002	Oil	State
30-025-39785	HALE STATE	#004	Oil	State

POOL: VACUUM; GRAYBURG/SAN ANDRES