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

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HOBBE State of New Mexico 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

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505RECEIVED

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, Suite 1400 |), Houston, TX 77002 | , hereby | | | | |
| | requests an exce | eption to Rule 19.15.18.12 fo | r60 | days or until | | | | |
| | June 25 | , Yr <u>2017</u> , | for the following described tank ba | attery (or LACT): | | | | |
| В. | Name of Lease | _Seven Rivers Queen Unit | Name of Pool Eunice; Seven F | Rivers-Queen, South | | | | |
| | Location of Bat | tery: Unit Letter D | Section 27 Township 22S | Range 36E | | | | |
| | Number of wells producing into battery See attached list | | | | | | | |
| C. | Based upon oil | production of55 | barrels per day, the es | timated * volume | | | | |
| | of gas to be flared isMCF/D; Value @ \$3.04 totaling \$598.88 per day. | | | | | | | |
| D. | Name and location of nearest gas gathering facility: | | | | | | | |
| | Energy Transfer Plant sales point on lease. | | | | | | | |
| E. | Distance 0 Estimated cost of connection No other option. | | | | | | | |
| F. | This exception is requested for the following reasons: <u>Energy Transfer gas plant is down for repair</u> . | | | | | | | |
| | SRQU #004 API #30-025-09067 | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| 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. | | | OIL CONSERVATION DIVISION Approved Until | | | | | |
| Signature I widy totaky | | | By Majeys & | rown | | | | |
| Printed Name & Title <u>Mine</u> | - Section of the sect | gulatory Specialist | Title AO/II | | | | | |
| E-mail Addres | ss_mkotesky@li | nnenergy.com | Date 4/26/2 | 017 | | | | |
| Date 4-25-2017 Telephone No. 281-840-4208 | | | | | | | | |

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

SEVEN RIVERS QUEEN UNIT

| API | Well Name | Well Number | Type | Lease | Status |
|--------------|-------------------------|--------------------|------|---------|--------|
| 30-025-09067 | SEVEN RIVERS QUEEN UNIT | #004 | Oil | Private | Active |
| 30-025-09058 | SEVEN RIVERS QUEEN UNIT | #008 | Oil | Private | Active |
| 30-025-09066 | SEVEN RIVERS QUEEN UNIT | #014 | Oil | Private | Active |
| 30-025-09059 | SEVEN RIVERS QUEEN UNIT | #016 | Oil | Private | Active |
| 30-025-09167 | SEVEN RIVERS QUEEN UNIT | #018 | Oil | Private | Active |
| 30-025-09144 | SEVEN RIVERS QUEEN UNIT | #022 | Oil | Private | Active |
| 30-025-09149 | SEVEN RIVERS QUEEN UNIT | #026 | Oil | Private | Active |
| 30-025-09161 | SEVEN RIVERS QUEEN UNIT | #030 | Oil | Private | Active |
| 30-025-09141 | SEVEN RIVERS QUEEN UNIT | #034 | Oil | Private | Active |
| 30-025-09140 | SEVEN RIVERS QUEEN UNIT | #036 | Oil | Private | Active |
| 30-025-09220 | SEVEN RIVERS QUEEN UNIT | #042 | Oil | State | Active |
| 30-025-09214 | SEVEN RIVERS QUEEN UNIT | #043 | Oil | State | Active |
| 30-025-09246 | SEVEN RIVERS QUEEN UNIT | #046 | Oil | State | Active |
| 30-025-09243 | SEVEN RIVERS QUEEN UNIT | #048 | Oil | State | Active |
| 30-025-09241 | SEVEN RIVERS QUEEN UNIT | #050 | Oil | State | Active |
| 30-025-27588 | SEVEN RIVERS QUEEN UNIT | #057 | Oil | Private | Active |
| 30-025-28122 | SEVEN RIVERS QUEEN UNIT | #060 | Oil | Private | Active |
| 30-025-28123 | SEVEN RIVERS QUEEN UNIT | #061 | Oil | Private | Active |
| 30-025-28684 | SEVEN RIVERS QUEEN UNIT | #063 | Oil | Private | Active |
| 30-025-29189 | SEVEN RIVERS QUEEN UNIT | #066 | Oil | State | Active |
| 30-025-29590 | SEVEN RIVERS QUEEN UNIT | #068 | Oil | State | Active |
| 30-025-29591 | SEVEN RIVERS QUEEN UNIT | #069 | Oil | Private | Active |
| 30-025-29592 | SEVEN RIVERS QUEEN UNIT | #070 | Oil | State | Active |
| 30-025-29593 | SEVEN RIVERS QUEEN UNIT | #071 | Oil | State | Active |
| 30-025-30159 | SEVEN RIVERS QUEEN UNIT | #073 | Oil | Private | Active |
| 30-025-30160 | SEVEN RIVERS QUEEN UNIT | #074 | Oil | State | Active |
| 30-025-30742 | SEVEN RIVERS QUEEN UNIT | #076 | Oil | Private | Active |
| 30-025-30743 | SEVEN RIVERS QUEEN UNIT | #077 | Oil | Private | Active |
| 30-025-30744 | SEVEN RIVERS QUEEN UNIT | #078 | Oil | Private | Active |
| 30-025-30745 | SEVEN RIVERS QUEEN UNIT | #079 | Oil | State | Active |
| 30-025-37793 | SEVEN RIVERS QUEEN UNIT | #081 | Oil | Private | Active |
| 30-025-37794 | SEVEN RIVERS QUEEN UNIT | #082 | Oil | Private | Active |
| 30-025-37795 | SEVEN RIVERS QUEEN UNIT | #083 | Oil | Private | Active |
| 30-025-37797 | SEVEN RIVERS QUEEN UNIT | #084 | Oil | Private | Active |
| 30-025-37798 | SEVEN RIVERS QUEEN UNIT | #085 | Oil | Private | Active |
| 30-025-37933 | SEVEN RIVERS QUEEN UNIT | #086 | Oil | Private | Active |
| 30-025-38068 | SEVEN RIVERS QUEEN UNIT | #088 | Oil | Private | Active |
| 30-025-38072 | SEVEN RIVERS QUEEN UNIT | #089 | Oil | Private | Active |
| 30-025-38069 | SEVEN RIVERS QUEEN UNIT | #090 | Oil | Private | Active |
| 30-025-38073 | SEVEN RIVERS QUEEN UNIT | #091 | Oil | Private | Active |
| 30-025-38075 | SEVEN RIVERS QUEEN UNIT | #093 | Oil | Private | Active |
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