

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 87001
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

SEP 26 2017

RECEIVED

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, Suite 1400, Houston, TX 77002, hereby requests an exception to Rule 19.15.18.12 for 60 days or until November 24, Yr 2017, for the following described tank battery (or LACT):
- B. Name of Lease Phillips Lea South Name of Pool Vacuum; Grayburg-San Andres
Location of Battery: Unit Letter L Section 31 Township 17S Range 34E
Number of wells producing into battery 5 (see attached list of wells)
- C. Based upon oil production of 110 barrels per day, the estimated * volume of gas to be flared is 35 MCF/D; Value @ \$2.96 totaling \$103.60 per day.
- D. Name and location of nearest gas gathering facility:
DCP sales point on lease
- E. Distance 0 Estimated cost of connection No other options.
- F. This exception is requested for the following reasons: DCP plant shut down for maintenance.
- Phillips Lea #003 (30-025-02155)

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 <u>Mindy Kotesky</u> Printed Name & Title <u>Mindy Kotesky - Regulatory Specialist I</u> E-mail Address <u>mkotesky@linenergy.com</u> Date <u>9-25-17</u> Telephone No. <u>281-840-4208</u>	OIL CONSERVATION DIVISION Approved Until <u>11/24/2017</u> By <u>Marys Brown</u> Title <u>AO/IF</u> Date <u>9/26/2017</u>
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* Gas-Oil ratio test may be required to verify estimated gas volume.

Phillips Lea Battery

Battery	API	Well Name	Well Number	Type	Lease	Status
South	30-025-23161	PHILLIPS LEA	#005	Oil	State	Active
South	30-025-23345	PHILLIPS LEA	#006	Oil	State	Active
South	30-025-23582	PHILLIPS LEA	#008	Oil	State	Active
South	30-025-42004	PHILLIPS LEA	#105	Oil	State	Active