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 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)

Α.	Applicant Linn Operating, LLC	DEC 082017, whose				
	address is 600 Travis, Suite 1400	), Houston, TX 77002 RECEIVEDhereby				
		r 60 days or until				
	February 01, Yr 2018 ,	for the following described tank battery (or LACT):				
B.	Name of Lease Hale State	Name of Pool Vacuum: Grayburg-San Andres				
	Location of Battery: Unit LetterE	Section 31 Township 17S Range 34E				
	Number of wells producing into battery	3 (see attached list)				
C.	Based upon oil production of5	barrels per day, the estimated * volume				
	of gas to be flared is16M	CF/D; Value <u>@ \$2.98 totaling \$47.68</u> per day.				
D.	Name and location of nearest gas gathering facility:					
	DCP sales point on lease.					
E.	Distance0Estimated cost of connectionNo other options					
F.	This exception is requested for the following reasons:					
	DCP line repair.					
	Hale State #1 (API # 30-025-02154)					
	hat the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVISION Approved Until 2/1/2018				
Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Approved Until						
Signature Made Koltoky		By Maleigh Brown				
Printed Name		Title AD/IL				
	dy Kotesky - Regulatory Specialist I	12/11/2011				
E-mail Addres	ss mkotesky@linnenergy.com	Date				

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

Telephone No. 281-840-4208

12-3-17

Date

## HALE STATE BATTERY

API	Well Name	Well Number	Туре	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