

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION

ARTESIA DISTRICT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

JUL 29 2016

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. GISSLER B 10 |
| 2. Name of Operator BURNETT OIL CO. INC. | | 9. API Well No. 30-015-04123 |
| Contact: LESLIE GARVIS E-Mail: lgarvis@burnettoil.com | | |
| 3a. Address BURNETT PLAZA - SUITE 1500 801 CHERRY STREET FORT WORTH, TX 76102 | 3b. Phone No. (include area code) 817-683-8780 | 10. Field and Pool, or Exploratory GRAYBURG JACKSON |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T17S R30E Mer NMP SWNE 1980FNL 1980FEL | | 11. County or Parish, and State EDDY COUNTY, NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|--|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

06/27/16 - UNSET PUMP & LD (126) 5/8" RODS & PUMP. INSTALLED CHANGE OVER FLANGE & NU BOP. SPOKE W/ MICHAEL W/ BLM WHO SPOKE W/ HIS ENGINEER ? INSTRUCTED US TO SPOT PLUG FROM 3,226'-2,680', WOC & TAG. CHANGED OUT 5-1/2" NIPPLE BELOW WH. NU BOP.

06/28/16 - CYCLE TESTED BOP ? TESTED GOOD. PU TBG TO 3,226', CIRC WELL CLEAN & SPOTTED A 45 SXS CMT PLUG. RIH & TAGGED TOC @ 3,162' (WITNESSED BY MICHAEL W/ BLM); INSTRUCTED THAT TAG TOO LOW & TO RE-SPOT PLUG. MIX & RESPOTTED AN ADD?T 100 SXS CMT @ 3,162'.

06/29/16 - CYCLE TESTED BOP ? TESTED GOOD. TIH & TAGGED TOC @ 3,100' (WITNESSED BY MICHAEL W/ BLM). INSTRUCTED TO RE-SPOT PLUG DUE TO TAGGING TO LOW. RESPOTTED A 125 SXS CMT PLUG @ 3,100' & POOH & WOC. TIH & TAGGED TOC @ 2,915'. INSTRUCTED TO RE-SPOT PLUG AGAIN (PLUG HEIGHT NEEDS TO BE AT 2,680' OR HIGHER PER BLM) RESPOTTED A 75 SXS CMT PLUG & 2,915'. POOH & WOC. TIH & TAGGED TOC @ 2,915'.

Liability under bond is retained until
Surface restoration is completed.

Reclamation Due 1-2-17

| | |
|---|------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #345030 verified by the BLM Well Information System For BURNETT OIL CO. INC., sent to the Carlsbad | |
| Name (Printed/Typed) LESLIE GARVIS | Title REGULATORY COORDINATOR |
| Signature (Electronic Submission) | Date 07/19/2016 |

Accepted for record
NMOCD

| | |
|--|--------------|
| Accepted for Record THIS SPACE FOR FEDERAL OR STATE OFFICE USE | |
| Approved By: James R. Amos | Title SAET |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Date 7-28-16 |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | Office CFO |

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECLAMATION
DUE 1-12-17

Additional data for EC transaction #345030 that would not fit on the form

32. Additional remarks, continued

2,425?. SPOKE W/ MICHAEL W/ BLM ? OK?D TAG & OK?D TO OMIT PLUG @ 2,450? SINCE IT WAS A STUB PLUG; OK?D TO CON?T TO 1,303? PLUG.

06/30/16 - CYCLE TESTED BOP ? TESTED GOOD. PRESS TESTED 5-1/2? TO 700# PSI ? HELD GOOD. PERF @ 1,303?. SPOKE W/ MICHAEL W/ BLM ? INSTRUCTED US TO SPOT A 25 SXS CMT PLUG @ 1,353? & WOC. POOH W/ PKR, TIH OPEN ENDED TO 1,353? & SPOTTED A 25 SXS CMT PLUG. POOH & WOC. TIH & TAGGED TOC @ 1,135? (WITNESSED BY MICHAEL W/ BLM ? OK?D PLUG).

07/01/16 - CYCLE TESTED BOP ? TESTED GOOD. RU SLICKLINE, RIH & PERF @ 535?. POOH & RD SLICKLINE. HOOKED ONTO 5-1/2? & ATTEMPTED TO BREAK CIRC AROUND 8-1/4? ANNULUS ? PRESS UP TO 600# & HELD. @ 10:00 AM MICHAEL W/ BLM ON LOC; INSTRUCTED US TO DROP 50? & SPOT A 25 SXS CMT PLUG, WOC & TAG. RELEASED PRESS, RIH TO 635? & SPOTTED A 25 SXS CMT PLUG W/ 3% CACL2. POOH & WOC 4 HRS. OPEN WEL, RIH W/ PERF SUB W/ BULL PLUG ON BOTTOM & TAGGED TOC @ 460?. SPOKE W/ MICHAEL W/ BLM ? INSTRUCTED US TO PERF 20? ABOVE TAG & CIRC CMT TO SURF AROUND 8-1/4? ANNULUS. POOH & LD TBG. SQZ A 100 SXS CMT PLUG @ 440? ? NO RETURN. SI SURF VALVE & DISPLACE CMT TO 100?.

07/02/16 - CYCLE TESTED BOP ? TESTED GOOD. RIH OPEN ENDED & TAGGED TOC @ 337? ? OK PER YOLANDA W/ BLM (ON LOC); INSTRUCTED US TO PERF @ 315?. POOH & LD TBG. RU SLICKLINE, RIH & PERF @ 315?. POOH & RD SLICKLINE. PUMPED 50 BBLS FW ? DID NOT CIRC. YOLANDA CALLED CHARLES W/ BLM (ENGINEER) ? OK?D TO SQZ A 100 SXS CMT PLUG; IF IT BEGAN TO CIRC, THEN CIRC CMT TO SURF. IF NOT, DISPLACE TO 100?, WOC & TAG. ND BOP & FLANGE UP WH. PUMPED 100 SXS CMT ? NO CIRC. DISPLACED TO 100? & WOC. RIH & TAGGED TOC @ 250? ? OK PER YOLANDA W/ BLM (ON LOC); ALSO OK?D TO PERF @ 230? & ATTEMPT TO EST. CIRC. IF NOT, SQZ 50 SXS CMT & DISPLACE PAST PERFS, WOC & TAG. POOH W/ TBG. RU SLICKLINE, RIH & PERF @ 230?. POOH & RD SLICKLINE. HOOKED ONTO CSG & PUMPED 20 BBLS WATER ? NO RETURNS. PUMPED 50 SXS CMT & DISPLACED PAST PERFS.

See attached for continuation of report.

BURNETT OIL CO., INC.

GISSLER B 10 GRAYBURG JACKSON (7RVRS-QN-GB-SA)

API# 30-015-04123

EDDY COUNTY, NEW MEXICO

SURFACE LOC: UNIT G, 1980' FNL & 1980' FEL, SEC. 11, T17S, R30E

BOTTOM HOLE: SAME

NMNM2748

PLUG AND ABANDON

07/05/16 - RU SLICKLINE, RIH & TAGGED TOC @ 220'. EST. PUMP IN RATE. SPOKE W/ CHARLES BUMMER & ED FERNANDEZ W/ BLM – INSTRUCTED US TO PUMP ADD'T 50 SXS CMT, BUT IF WELL WILL CIRC, THEN CIRC TO SURF. PUMPED 50 SXS CMT – NO CIRC. SQZ INTO PERFS & WOC. RU SLICKLINE, TIH & TAGGED TOC @ 220'. EST. PUMP IN RATE. SPOKE W/ TERRY WILSON W/ BLM – INSTRUCTED US TO TRY SAME PROCEDURE. PUMPED 50 SXS & WELL BEGAN TO CIRC. CONT TO PUMP CMT UNTIL IT CAME OUT BEHIND 8-5/8", & 5-1/2". BOTH STRINGS & BACKSDIE WERE FULL OF CMT (TOTAL OF 100 SXS CMT). MONITORED WELL – CMT WAS NOT DROPPING.

07/06/16 - CUT OFF WH & WELDED DRY HOLE MARKER. REMOVED ANCHORS. WELL COMPLETE.
WELL PA ON 7/6/16 @ 10 A.M. Below ground level marker installed as required.