

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Burnett Oil Co. Inc. **OGRID Number:** 03080
Well Name: Stevens B 3and others (See attached) **API:** 30-015-33132
Pool: Cedar Lake Glorieta Yeso **Pool Code:** 96831

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☒ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Leslie Garvis

Print or Type Name

Signature

10/6/2021

Date

817-583-8730

Phone Number

lgarvis@burnettoil.com

e-mail Address

District I
1625 N. French Drive, 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 Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Burnett Oil Co., Inc.

OPERATOR ADDRESS: Burnett Plaza - Suite 1500, 801 Cherry Street - Unit 9, Fort Worth, Texas 76102

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
See Attached					

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify) See Attached
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☐ Metering ☒ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attach sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: 

TITLE: Regulatory & Government Affairs Manager DATE: 10/5/2021

TYPE OR PRINT NAME Leslie Garvis

TELEPHONE NO.: 817-583-8730

E-MAIL ADDRESS: lgarvis@burnettoil.com

BURNETT OIL CO., INC.

06 October 2021

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Rule 303, Administrative Approval, Lease Surface Commingling, Off Lease Storage and Measurement

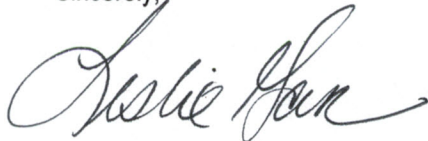
To whom it may concern:

Burnett Oil is requesting Administrative approval from the NMOCD for surface commingling, off lease storage and off lease measurement of Federal Leases # NMLC-055958, NMLC-029338-A and NMNM2748. These leases produce from the Cedar Lake Glorieta Yeso Pool (96831) pool and will be commingled at our Stevens B Central Tank Battery located in SWNW, Sec. 13, T17S, R30E. This application will include all current and future wells producing at the Stevens B Battery.

All interest owners have been notified by mail of this surface commingling request. The Bureau of Land Management has been notified of our request for surface commingling of the aforementioned leases and pools.

The required supporting documentation is attached. If you have any questions or need any additional information, please do not hesitate to give me a call at 817-583-8730.

Sincerely,



Leslie Garvis
Regulatory & Government Affairs Manager

**APPLICATION FOR POOL AND LEASE COMMINGLING, OFF LEASE
MEASUREMENT, SALES AND STORAGE AT OUR
STEVENS B CENTRAL TANK BATTERY**

Burnett Oil Co. Inc, requests approval for lease commingling, off lease measurement, sales and storage at the Stevens B Central Tank Battery (Unit E, Section 13, T17S, R30E, Lat: 32.835233, Long: -103.9305)

I. Federal Leases

A. Federal Lease - NMLC-055958

B. Federal COMM Agreement – NMLC-055958, NMLC-029338-A & NMNM-2748

C. The commingling of this production is the most effective economical means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

II. Oil & Gas Process Flow, Metering & Testing:

The Stevens B central tank battery is located at Sec. 13 SWNW, T17S, R30E on federal lease NMLC-055958 in Eddy County, New Mexico. The production from all wells will come to a common production header equipped with an isolation line. From this point each well can individually be put on test and its production routed through the test equipment train while the remaining wells are routed to the production equipment train.

All wells at this battery will utilize three (3) 300 bbl oil tanks and two (2) 300 bbl produced water tanks. The battery has a common gas sales meters (DCP Delivery Point Totalflow meter #723318-00 and Durango Delivery Point Totalflow meter #06165033) which are is located on the battery (see attached facility diagram). Oil, gas and water volumes from each well producing to this battery will be determined using a test heater treater at the proposed facility. Each well associated with this battery will run through the testing equipment a minimum of 24 hours once a month.

The well which is producing on test flows to the test heater treater, gas goes to the gas test meter (Totalflow meter #74633017) and combined liquids go to the test heater treater (HT) where oil, water and any remaining gas are separated. This gas is also routed to the gas test meter. The oil is routed to an isolated 300 bbl oil tank designated for testing and is measured daily. All other oil is routed to an isolated 300 bbl oil tank designated for production. Water is metered using a turbine meter and then flows to one of the two 300 bbl produced water tanks, along with the water from the production train wells.

**APPLICATION FOR POOL AND LEASE COMMINGLING, OFF LEASE
MEASUREMENT, SALES AND STORAGE AT OUR
STEVENS B CENTRAL TANK BATTERY**

Oil, gas and water production will be allocated daily based on each well's most recent well test. Oil sales and production allocation are based on the isolated test tank gauges and total daily oil production calculated using tank measurements and sales through the LACT meter located downstream of the oil tanks. The LACT meter will be proven monthly, as per API, NMOCD, and BLM specifications. The factor obtained will be used to allocate the production and sales volumes.

The gas production from the production equipment train and the test gas meter will commingle and flow through the DCP Gas sales Totalflow meter (#723318-00) and the Durango Gas sales Totalflow meter (#06165033) which are located on the facility. Production train gas will be calculated on a daily basis based on the subtraction method. The Well Test Totalflow meter (#xxxxx) volume is subtracted from the DCP Gas sales meter (#723318-00) and the Durango Gas sales meter (#0615033) to arrive at the Production Train gas sales volume which is then allocated to each well based on the well's most recent well test. The total gas volume will be the sum of the DCP sales meter, the Durango sales meter, and the flare volume meter and lease fuel. All gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities. Test Tank will be gauged on a daily basis. A tank Strapping Table for the oil test tank will be provided.

The flow of production is shown in detail on enclosed facility diagram and map which shows the lease boundaries

IV. Additional Right of Ways

Burnett Oil Co. Inc. understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. We will apply for separate ROW approval, as appropriate.

V. Interest Owner Notice

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail. See attached list of parties notified.

VI. Pursuant to Statewide rule 19.15.12.10(C)(4)(g), Burnett requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

APPLICATION FOR COMMINGLING AT GISSLER B 2 CENTRAL TANK BATTERY

Stevens B CENTRAL TANK BATTERY

Battery Location: T17S, R 30E, SEC 13, UNIT E, SWNW
 2355' FNL, 1064' FWL
 LEASE: NMLC-055958
 Lat: 32.835233
 Long: -103.9305

Federal Lease: NMLC-055958

Well Name	Surface Location	API#	Date Online	Pool Code	Pool Name	Oil BOPD	Gravity	Gas MCFPD	BTU	BWPD
Stevens B 3	E-13-17S-30E	30-015-33132	8/28/2004	96831	CEDAR LAKE; GLORIETA-YESO	12.26	44	107.85	1344.5878	47.97
Stevens B 4	C-13-17S-30E	30-015-34847	7/21/2006	96831	CEDAR LAKE; GLORIETA-YESO	6.25	44	34.41	1344.5878	8.44
Stevens B 5	C-13-17S-30E	30-015-37801	8/28/2010	96831	CEDAR LAKE; GLORIETA-YESO	8.22	44	71.89	1344.5878	23.00
Stevens B 6	E-13-17S-30E	30-015-39156	9/23/2011	96831	CEDAR LAKE; GLORIETA-YESO	10.18	44	56.89	1344.5878	31.70
Stevens B 7	D-13-17S-30E	30-015-39777	3/2/2012	96831	CEDAR LAKE; GLORIETA-YESO	8.28	44	97.94	1344.5878	36.46
Stevens B 8	D-13-17S-30E	30-015-40140	5/13/2012	96831	CEDAR LAKE; GLORIETA-YESO	6.72	44	84.23	1344.5878	12.16
Stevens B 9	D-13-17S-30E	30-015-47496	3/27/2021	96831	CEDAR LAKE; GLORIETA-YESO	20.36	44	134.42	1344.5878	371.89

COMM Agreement - Leases: NMLC-055958 , NMLC-029338-A, NMNM-2748

Well Name	Location	API#	Date Online	Pool Code	Pool	Oil BOPD	Gravity	Gas MCFPD	BTU	BWPD
Stevens B 13C-14D 1H	B-13-17S-30E	30-015-46407	Not Drilled	96831	CEDAR LAKE; GLORIETA-YESO	TBD		TBD		TBD

Lease & Well Map attached showing battery and wells located in T17S, R 30E, Sections 13 & 14

Production based on January through July 2021 Reporting.

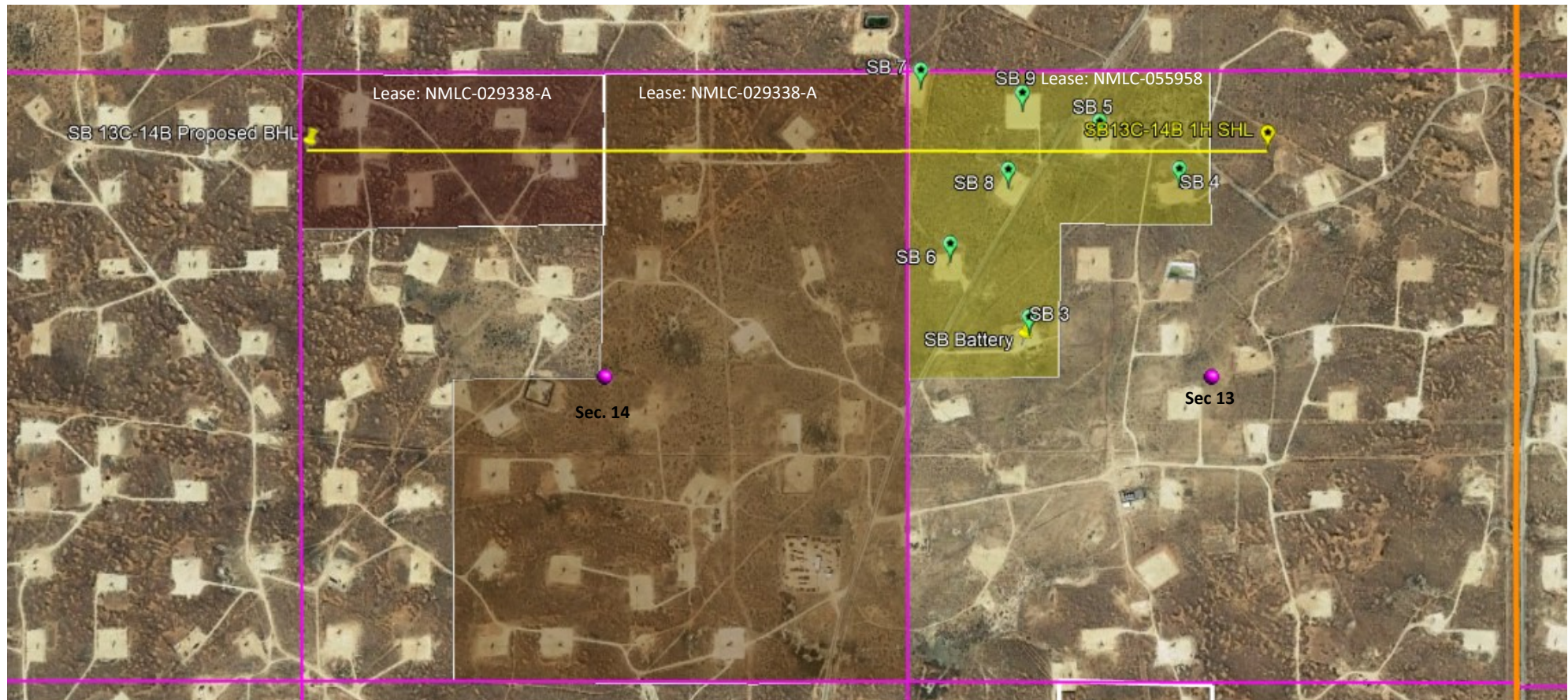
Burnett Oil Co., Inc.

Stevens B Battery

T17S, R 30E, SEC 13, UNIT E, SWNW

LEASE: NMLC-055958

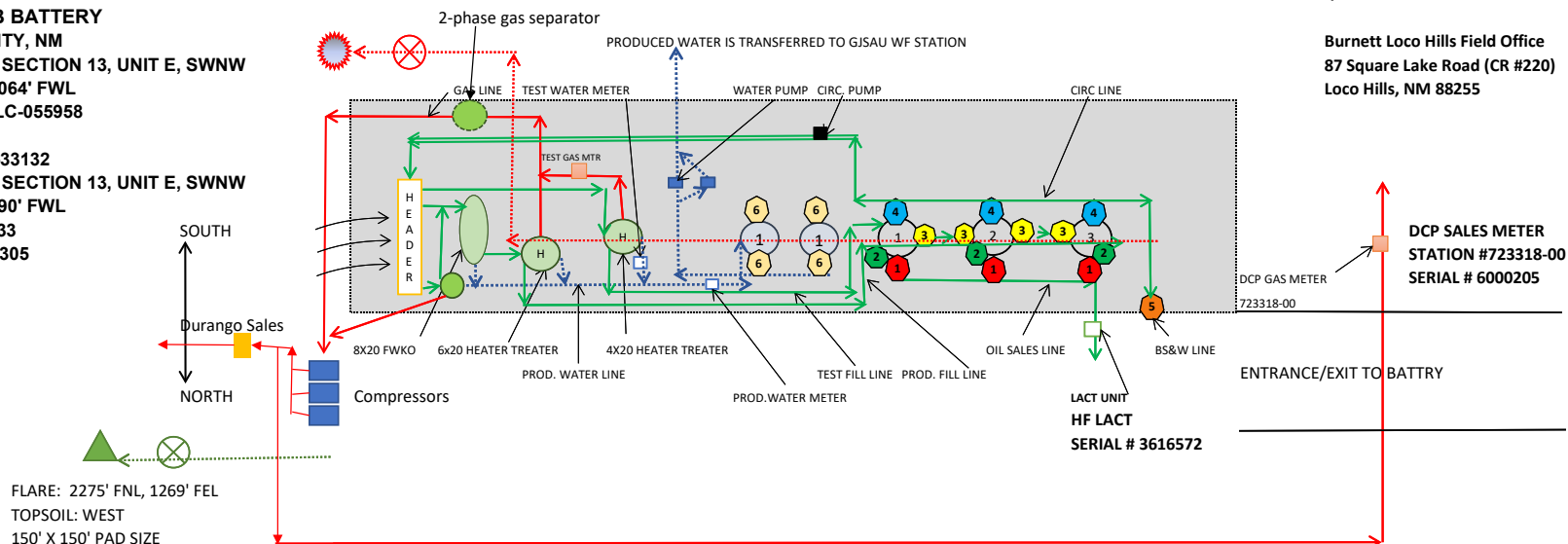
Lat: 32.835233, Long: -103.9305



BURNETT OIL CO. INC.
STEVENS B BATTERY
EDDY COUNTY, NM
T17S, R30E, SECTION 13, UNIT E, SWNW
2355' FNL, 1064' FWL
LEASE: NMLC-055958
Stevens B 3
API# 30-015-33132
T17S, R30E, SECTION 13, UNIT E, SWNW
2260' FNL, 990' FWL
Lat: 32.835233
Long: -103.9305

UPDATED: 9/2020

Burnett Loco Hills Field Office
 87 Square Lake Road (CR #220)
 Loco Hills, NM 88255

**SITE LEGEND**

- | | |
|--|---------------------------------|
| 1 300 BBL STEEL OIL SALES TANK # 62782 | 1 300 BBL FIBERGLASS WATER TANK |
| 2 300 BBL STEEL OIL SALES TANK # 62783 | 2 300 BBL FIBERGLASS WATER TANK |
| 3 300 BBL STEEL OIL SALES TANK # 66449 | |

- FWKO
- HEATER TREATER
- WATER LINE
- OIL LINE
- GAS LINE
- FENCED FIREWALL
- Two Phase Separator
- FUTURE 2 PHASE SEPARATOR

VALVE LEGEND

- | | |
|---|------------------------|
| 1 LOAD LINE VALVE | 4 CIRC LINE VALVE |
| 2 FILL LINE VALVE | 5 BS&W LOAD LINE VALVE |
| 3 EQUALIZER LINE VALVE | 6 WATER LINE VALVE |
| COMBUSTOR GAS METER
Meter# FMS 200F-351113 | COMBUSTOR |
| EMERGENCY FLARE | COMBUSTOR LINE |
| | FLARE LINE |

Burnett Oil Co. Inc.
Owner Notifications for Stevens B Tank Battery

Name and Address	Tracking Number
OFFICE OF NATURAL RESOURCES REVENUE PO BOX 25627 DENVER, CO 80225-0627	7020 0640 0001 1453 7213
OXY Y-1 COMPANY PO BOX 27570 HOUSTON, TX 77227	7020 0640 0001 1453 7220
LOUISA STUDE SAROFIM 1001 FANNIN, STE 4700 HOUSTON, TX 77002-6798	7020 0640 0001 1453 7237
MARRON MINERALS, LTD. 919 MILAM, SUITE 1980 HOUSTON, TX 77002	7020 0640 0001 1453 7244
JOHN HOPKINS UNIVERSITY 3400 N. CHARLES STREET BALTIMORE, MD 21218	7020 0640 0001 1453 7251
WILLIAM MARSH RICE UNIVERSITY 6100 MAIN STREET, MS 91 HOUSTON, TX 77005-1982	7020 0640 0001 1453 7268
CARLSBAD FIELD OFFICE 620 E GREEN STREET CARLSBAD, NM 88220	7020 0640 0001 1453 7275

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

COMMENTS

Action 166026

COMMENTS

Operator: BURNETT OIL CO INC 801 Cherry Street Unit #9 Fort Worth, TX 76102	OGRID: 3080
	Action Number: 166026
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

COMMENTS

Created By	Comment	Comment Date
dmcclure	Rejected under Action ID: 54680	12/12/2022

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 166026

CONDITIONS

Operator: BURNETT OIL CO INC 801 Cherry Street Unit #9 Fort Worth, TX 76102	OGRID: 3080
	Action Number: 166026
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Rejected for the following reasons: • Failure to identify and demonstrate the "leases" proposed to be commingled; "leases" is defined by 19.15.12.7 C. NMAC	12/12/2022