

PTGW

DATE IN <u>7.28.11</u>	SUSPENSE	ENGINEER <u>DKB.</u>	LOGGED IN <u>7.28.11</u>	TYPE <u>NSL</u>	APP NO. <u>1120952212</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Burnett 3280

Coissler B 79

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-015-39215

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

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

Fed Eddy

J-8-175-30E

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or [ ] Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Mary Carter Starkey Mary Carter Starkey Regulatory Coordinator 7/28/11  
 Print of Type Name Signature Title Date

mstarkey@burnettoil.com  
 e-mail Address

6666

RECEIVED OCD

2011 JUL 27 A 10:31

July 25, 2011

New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87504  
Attn: Engineering Department

Re: Gissler B #79 Federal Lease NMNM2748  
Unit J, 1550' FSL, 2310' FEL  
SEC. 8, T17S, R30E- Eddy County, New Mexico  
API # 30-015-39215

Gentlemen:

Burnett Oil Co., Inc. respectfully request's an exception without notice and hearing to NMOCD Rule 104 for the Gissler B #79 new drill (Grayburg Jackson San Andres 28509) well. Our original spot for this location was moved by the Bureau of Land Management after sand dunes were found when trying to stake and survey the well. The attached plat shows our location of this well site on Federal Lease NMNM074939. All offset operators have been notified by mail of our application. A copy of our submitted 3160-3, plats are included for your easy reference Please contact the undersigned if you should need any more information or have any question.

Yours truly,



Mary Carter Starkey  
Regulatory Coordinator

  
**STATEMENT OF NOTIFICATION**

On July 25, 2011, the following parties were mailed a letter notifying each offset operator that Burnett Oil Co., Inc.'s made application with the New Mexico OCD for an Unorthodox Location for the Well Gissler B #79, Federal Lease NMNM2748, Unit J, 1550'' FSL, 2310 FEL, Sec. 8, T17S, R30E, Eddy County, New Mexico.

**OFFSET OPERATORS**

Cimerex Energy Co. of Colorado  
600 N. Mariensfeld St., Ste 600  
Midland, Texas 79701

COG Operating  
550 W. Texas  
Suite 1300  
Midland, Texas 79701

Mack Energy Corporation  
P.O. Box 960  
Artesia, New Mexico 88211-0960

**\* \* \* CERTIFICATION \* \* \***

I declare that the data and facts stated therein are true, correct and complete to the best of my knowledge.

Signature: 

Date: 07/25/2011

Company: Burnett Oil Co., Inc.

Telephone: 817-332-5108

**Warnell, Terry G, EMNRD**

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**To:** Mary C. Starkey  
**Subject:** RE: Missing Administrative Application Coversheet for Gissler "B" Well No. 79

Thanks  
You are correct  
It's the operators that touch the lease line

---

**From:** Mary C. Starkey [<mailto:mcstarkey@burnettoil.com>]  
**Sent:** Thursday, July 28, 2011 12:41 PM  
**To:** Warnell, Terry G, EMNRD  
**Subject:** RE: Missing Administrative Application Coversheet for Gissler "B" Well No. 79

Terry:  
I have attached Administration Application Signed. I want to make sure I have the reg right:  
If we have unorthodox location it is the offset operators that touch the lease lines that are notified right? Or are just those touching the 40 acres proration unit?

---

**From:** Warnell, Terry G, EMNRD [<mailto:TerryG.Warnell@state.nm.us>]  
**Sent:** Thursday, July 28, 2011 12:57 PM  
**To:** Mary C. Starkey  
**Subject:** Missing Administrative Application Coversheet for Gissler "B" Well No. 79

Mary,

Please email or fax a signed coversheet for the above request  
<http://www.emnrd.state.nm.us/OCD/documents/AdminApplicationChecklist20090826.DOC>

Thanks,  
Terry

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., 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-102  
Revised July 16, 2010

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-015-39215</b>	Pool Code <b>28569</b>	Pool Name <b>ERAYBURG JACKSON (GBJ-SK)</b>
Property Code	Property Name <b>GISSLER "B"</b>	Well Number <b>79</b>
OGRID No. <b>03080</b>	Operator Name <b>BURNETT OIL COMPANY, INC.</b>	Elevation <b>3677'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	8	17 S	30 E		1550	SOUTH	2310	EAST	EDDY

Bottom Hole Location If Different From Surface

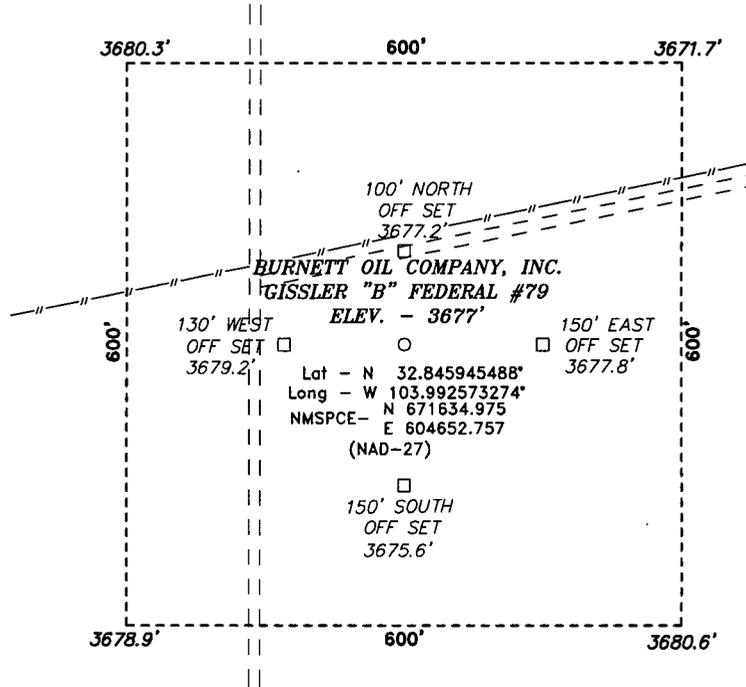
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.
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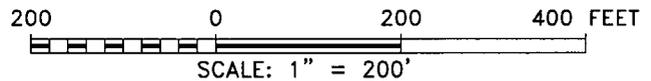
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>SURFACE LOCATION</b>          Lat - N 32.845945488°          Long - W 103.992573274°          NMSPC- N 671634.975          E 604652.757          (NAD-27)</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Mary Carter Starkey</i>          Signature Date          Printed Name          Email Address: <i>mstarkey@burnettail.com</i></p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><i>Gary L. Jones</i>          Date Surveyed          Signature &amp; Seal of Professional Surveyor 7972</p>
	<p>Certificate No. Gary L. Jones 7972</p>
	<p>BASIN SURVEYS 24309</p>

SECTION 8, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.



Lat - N 32.845945488°  
 Long - W 103.992573274°  
 NMSPC - N 671634.975  
 E 604652.757  
 (NAD-27)



Directions to Location:

FROM THE JUNCTION OF THE HAGERMAN CUTOFF AND THE ARTESIA HWY, GO NORTH ON HAGERMAN CUTOFF FOR 1.5 MILES TO LEASE ROAD, ON LEASE ROAD GO WEST 0.1 MILES AND NORTH 0.2 MILES TO PROPOSED LOCATION.

<b>BURNETT OIL COMPANY, INC.</b>	
REF: GISSLER "B" FEDERAL #79 / WELL PAD TOPO	
THE GISSLER "B" FEDERAL #79 LOCATED 1550'	
FROM THE SOUTH LINE AND 2310' FROM THE EAST LINE OF	
SECTION 8, TOWNSHIP 17 SOUTH, RANGE 30 EAST,	
N.M.P.M., EDDY COUNTY, NEW MEXICO.	
Date: 03-28-2011	Survey Date: 03-23-2011
W.O. Number: 24309	Sheet 1 of 1 Sheets
Drawn By: J. SMALL	
Disk: JMS 24309	

**BASIN SURVEYS** P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 24309 Drawn By: J. SMALL

Date: 03-28-2011 Disk: JMS 24309

Survey Date: 03-23-2011 Sheet 1 of 1 Sheets

## Warnell, Terry G, EMNRD

---

**To:** Mary C. Starkey  
**Subject:** RE: Missing Administrative Application Coversheet for Gissler "B" Well No. 79

Thanks

You are correct

Your well encroaches to the south and the southwest

In the case of this well you need to notice affected persons in N & O

Your application has been logged in as App No. pTGW1120952212 and will be processed by David Brooks

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**Subject:** RE: Missing Administrative Application Coversheet for Gissler "B" Well No. 79

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Mary,

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<http://www.emnrd.state.nm.us/OCD/documents/AdminApplicationChecklist20090826.DOC>

Thanks,  
Terry

**Brooks, David K., EMNRD**

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**From:** David Rhodes [dsrhodes@burnettoil.com]  
**Sent:** Wednesday, August 24, 2011 7:43 AM  
**To:** Brooks, David K., EMNRD  
**Cc:** jamesbruc@aol.com; Mark Jacoby  
**Subject:** FW: Gissler B #79; NSL Application

Dear Mr. Brooks,

Jim Bruce forwarded me your email from yesterday related to the Gissler B #79 well. You are correct, Ms. Starkey is no longer with us. I can confirm to you that the interests in Units J, N and O in Section 8-17S-30E are identical. Please let me know if you need anything else.

Thanks,

David Rhodes  
Land Manager  
817.332.5108

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**From:** jamesbruc@aol.com [mailto:jamesbruc@aol.com]  
**Sent:** Wednesday, August 24, 2011 8:18 AM  
**To:** David Rhodes  
**Subject:** Fwd: Gissler B #79; NSL Application

David: Do you have info on this?

Jim

-----Original Message-----

**From:** Brooks, David K., EMNRD, EMNRD <david.brooks@state.nm.us>  
**To:** jamesbruc <jamesbruc@aol.com>  
**Sent:** Tue, Aug 23, 2011 5:42 pm  
**Subject:** FW: Gissler B #79; NSL Application

Dear Jim

I sent this request to Mary Starkey at Burnett Oil regarding an NSL application she filed on July 28. An email reply indicates she has left the company.

Since you are representing Burnett on another matter, I am forwarding this to you in hopes you can route it to an appropriate persons.

Thanks

David

---

**From:** Brooks, David K., EMNRD  
**Sent:** Tuesday, August 23, 2011 5:36 PM  
**To:** 'mcstarkey@burnettoil.com'  
**Subject:** Gissler B #79; NSL Application

Dear Ms. Starkey

After reading the email correspondence between you and Terry Warnell, I cannot clearly determine if you two communicated accurately as to the parties to whom notice of this application is required.

Mr. Warnell correctly advised you that notice needs to be given to "affected persons" in Units N and O of Section 8. OCD records indicate the Burnet Oil is the operator of both of those units. Where the applicant is the operator, "affected persons" includes all working interest owners, unless their ownership is identical in the unit where the proposed NSL is located and in the offsetting unit. Thus, if you have any working interest partners in Unit N or O who do not own an identical interest in Unit J where you propose this well, those parties should be notified.

You indicate that you notified Cimarex, COG and Mack, but do not indicate where their ownership is located. Based on my explanation in the preceding paragraph as to who are "affected persons," please advise if you have notified all persons to whom notice is required.

Sincerely

David K. Brooks  
Legal Examiner

**Brooks, David K., EMNRD**

---

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Sincerely

David K. Brooks  
Legal Examiner

**Brooks, David K., EMNRD**

---

**From:** Mary C. Starkey [mcstarkey@burnettoil.com]  
**Sent:** Tuesday, August 23, 2011 5:36 PM  
**To:** Brooks, David K., EMNRD  
**Subject:** Out of Office AutoReply: Gissler B #79; NSL Application

As of Monday, August 8th, I will have moved to Jetta Operating, to get in touch with me please call 817-312-8504.