

10-18-12	10-18	ENGINEER	DB	LOGGED IN	10-18	TYPE	NSL	APP NO	PKB.1229254081
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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 Oil
 Kusler A# 40
 6699

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

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]

[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.

Burnett Oil Co. Inc. _____
 Print or Type Name Signature
 Leslie M Garvis _____
 Title Date
 lgarvis@burnettoil.com _____
 e-mail Address



BURNETT OIL CO., INC.

16 October 2012

Mr. David Brooks
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Re: Gissler A #40 | Federal Lease #NMLC029338A | NSL Approval Request
Unit K, 2505' FSL, 1400' FWL
SEC. 14, T17S, R30E – Eddy County, New Mexico
API # 30-015-39928

Mr. Brooks:

Burnett Oil Co., Inc. respectfully requests an exception without notice and hearing to NMOCD Rule 104 for the Gissler A #40 (Grayburg Jackson).

This location is 20' feet unorthodox at the surface and only affects Burnett and no other lease holders. The working interests of Section 14, Unit K and Section 14, Unit L are the same. The BLM royalty is the same, however the net revenue interests are different. I have attached a map showing the Burnett leases in this area as well as a copy of our C-102.

Please contact me if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator

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 18, 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 30-015-39928	Pool Code 28509	Pool Name Grayburg JACKSON - SA
Property Code	Property Name GISSLER "A"	Well Number 40
OGRID No. 03080	Operator Name BURNETT OIL COMPANY, INC.	Elevation 3691'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	14	17 S	30 E		2505	SOUTH	1400	WEST	EDDY

Bottom Hole Location If Different From Surface

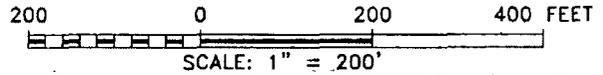
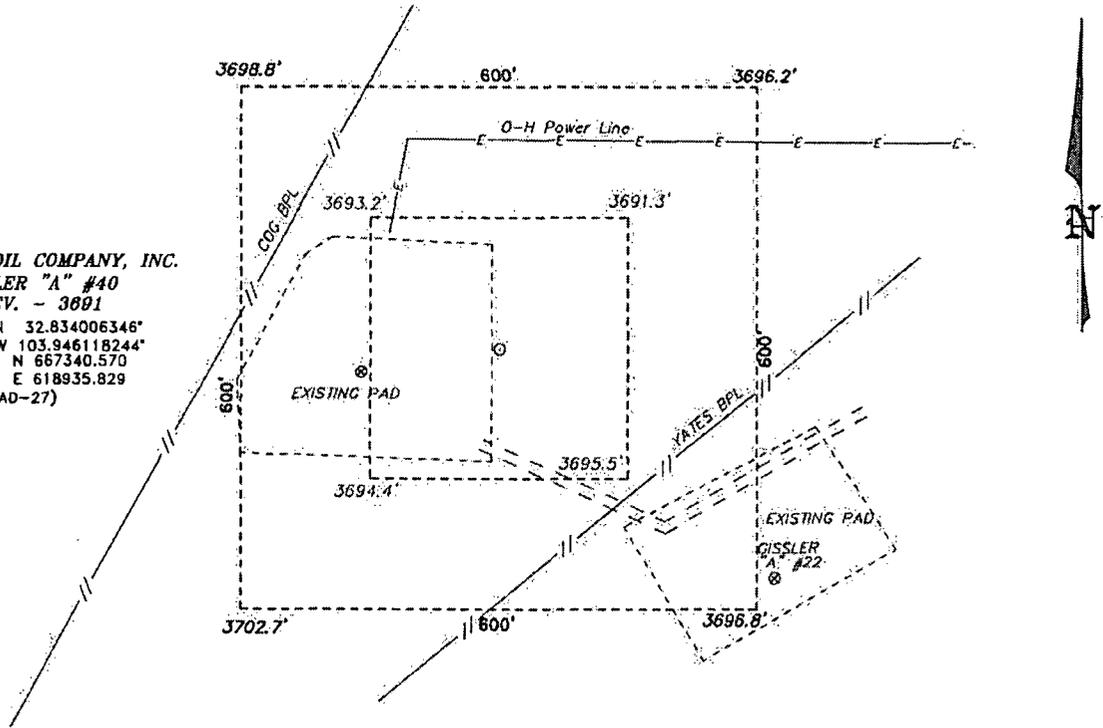
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County				
<table border="1"> <tr> <td>Dedicated Acres 40</td> <td>Joint or Infill</td> <td>Consolidation Code</td> <td>Order No.</td> </tr> </table>										Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.										

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>SURFACE LOCATION Lat - N 32.834006346° Long - W 103.946118244° NMSPCE - N 667340.570 E 618935.829 (NAD-27)</p>	<p>OPERATOR CERTIFICATION</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>Barry W. Hunt</i> 10/31/11 Signature Date Barry W. Hunt Printed Name</p> <p>Email Address</p>
	<p>SURVEYOR CERTIFICATION</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> Date Surveyed Signature & Seal of Professional Surveyor</p>
	<p>Certificate No. Gary L. Jones 7977</p>
	<p>BASIN SURVYVS 24898</p>

SECTION 14, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

BURNETT OIL COMPANY, INC.
 GISSLER "A" #40
 ELEV. - 3691
 Lat - N 32.834006346°
 Long - W 103.946118244°
 NMSPC - N 667340.570
 E 618935.829
 (NAD-27)



Directions to Location:

FROM THE JUNCTION OF SQUARE LAKE ROAD AND SKELLY, GO SOUTH ON SQUARE LAKE FOR 0.6 MILES TO LEASE ROAD, THEN ON LEASE ROAD GO WESTERLY 0.7 MILES TO LEASE ROAD, THEN ON LEASE ROAD GO SOUTH 0.2 MILES TO THE GISSLER "A" #22 AND PROPOSED LEASE ROAD.

BURNETT OIL COMPANY, INC.

REF: GISSLER "A" #40 / WELL PAD TOPO

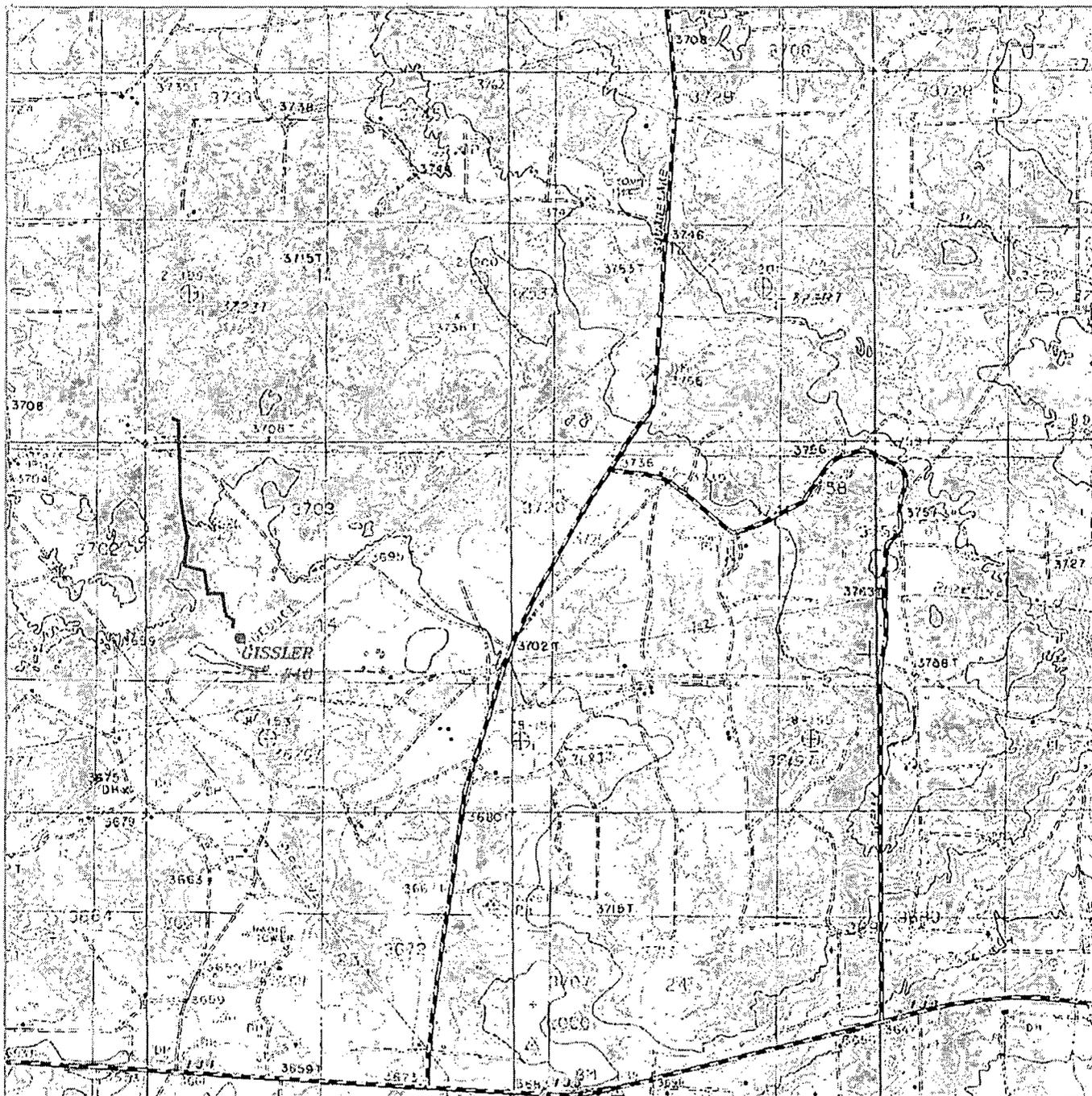
THE GISSLER "A" #40 LOCATED 2505' FROM
 THE SOUTH LINE AND 1400' FROM THE WEST LINE OF
 SECTION 14, TOWNSHIP 17 SOUTH, RANGE 30 EAST,
 N.M.P.M., EDDY COUNTY, NEW MEXICO.

Basin Surveys P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 24898 Drawn By: Ed Blevins

Date: 08-02-2011 Disk: KJC - 24898WELL

Survey Date: 07-11-2011 Sheet: 1 of 1 Sheets



GISSLER "A" #40

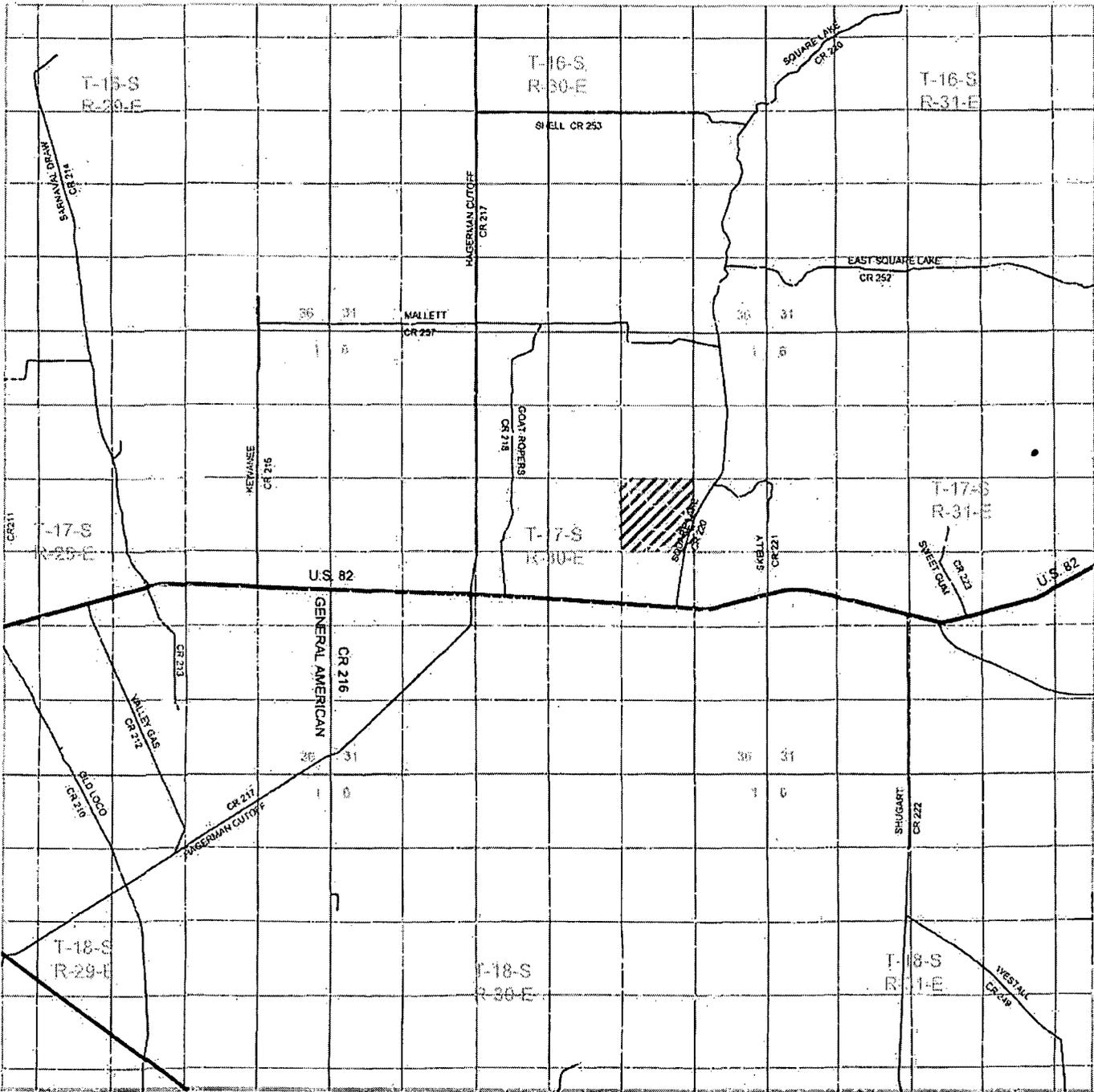
Located 2505' FSL and 1400' FWL
 Section 14, Township 17 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

Basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1788
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7318 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

W.O. Number: ERE - 24898
Survey Date: 07-11-2011
Scale: 1" = 2000'
Date: 08-02-2011

**BURNETT OIL
 COMPANY, INC.**



GISSLER "A" #40

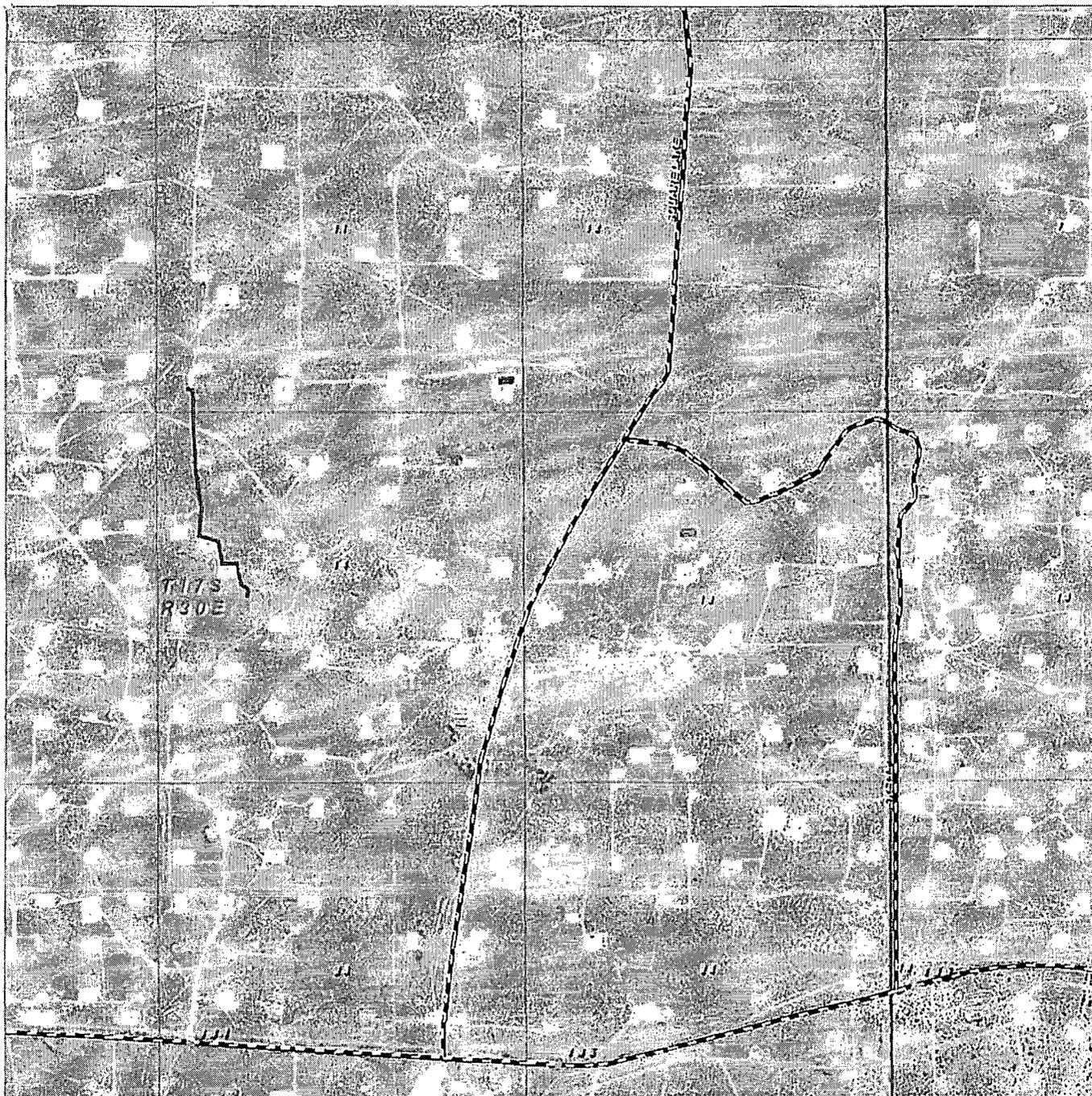
Located 2505' FSL and 1400' FWL
 Section 14, Township 17 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: ERB - 24298
 Survey Date: 07-11-2011
 Scale: 1" = 2 Miles
 Date: 08-02-2011

**BURNETT OIL
 COMPANY, INC.**



GISSLER "A" #40

*Located 2505' FSL and 1400' FWL
 Section 14, Township 17 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.*

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1785
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

W.O. Number: ERB - 24858

Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

**BURNETT OIL
 COMPANY, INC.**

Exhibit A

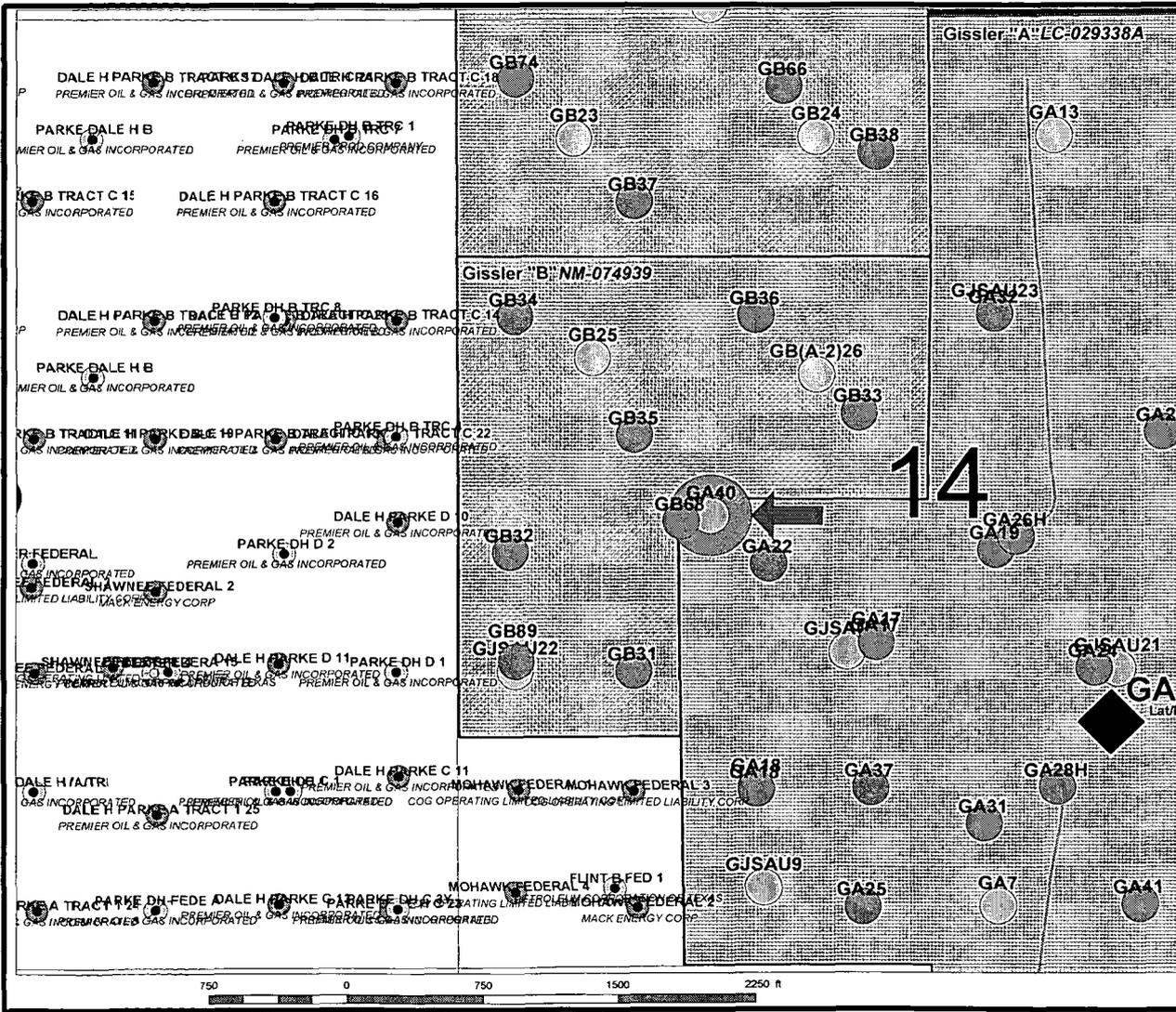


GISSLER "A" #40

Located at 500' E. and 100' N. of
 section 14, Township 10 North, Range 10 West,
 N.M.P.M., T.10N., R.10W., New Mexico.

Wright
Surveys

BURNETT OIL
COMPANY, INC.



Surface Hole Location

- OIL
- Wellbore Path
- ◐ YESO
- GBSA
- ▨ GISSLER A LEASE
- ▩ GISSLER B LEASE

<p>Burnett Oil Co., Inc. 6666</p>	
<p>Gissler A40 - NSL Eddy County, New Mexico</p>	
<p>Author: CLK, Engineering Technician</p>	<p>Date: October 1, 2012</p>

Brooks, David K., EMNRD

From: Leslie Garvis <lgarvis@burnettoil.com>
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40
Attachments: 12.10.16GA40_NSL.pdf; GA40 C102.pdf; Lease Map - Gissler A40.pdf

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

Brooks, David K., EMNRD

To: Leslie Garvis
Subject: RE: NSL Approval Request for Gissler A 40

Dear Ms. Garvis

You have addressed the ownership of Units K and L in Section 14, Unit L being the drilling unit.

However, this location at 2505 FSL and 1400 FWL would appear to also encroach to the North toward Unit F, and diagonally to the northwest toward Unit E. I need to know if these units (F and E) also have identical working interest ownership with Unit L. If not additional notices are needed.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, October 18, 2012 3:00 PM
To: 'Leslie Garvis'
Subject: RE: NSL Approval Request for Gissler A 40

Dear Ms. Garvis

You have addressed the ownership of Units K and L of Section 14, Unit L being the drilling unit.

However, this proposed location – 2505 FSL & 1400 FNL – also encroaches to the north toward Unit F and to the northwest toward Unit E.

Do Units E and F also have identical working interest ownership with Unit L? If not additional notices are required.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

Brooks, David K., EMNRD

From: Leslie Garvis <lgarvis@burnettoil.com>
Sent: Thursday, October 18, 2012 3:02 PM
To: Brooks, David K., EMNRD
Subject: RE: NSL Approval Request for Gissler A 40

I will check and get back to you as soon as I talk to me land department.

Thanks,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Thursday, October 18, 2012 4:00 PM
To: Leslie Garvis
Subject: RE: NSL Approval Request for Gissler A 40

Dear Ms. Garvis

You have addressed the ownership of Units K and L of Section 14, Unit L being the drilling unit.

However, this proposed location – 2505 FSL & 1400 FNL – also encroaches to the north toward Unit F and to the northwest toward Unit E.

Do Units E and F also have identical working interest ownership with Unit L? If not additional notices are required.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis

Regulatory Coordinator

Burnett Oil Co., Inc.

Burnett Plaza-Suite 1500

801 Cherry Street - Unit #9

Fort Worth, TX 76102

Office: 817.332.5108 ext 6326

Fax: 817.332.2438

Email: lgarvis@burnettoil.com

Brooks, David K., EMNRD

From: Leslie Garvis <lgarvis@burnettoil.com>
Sent: Friday, October 19, 2012 8:33 AM
To: Brooks, David K., EMNRD
Subject: RE: NSL Approval Request for Gissler A 40

David,

I have confirmed that the working interest owners have the same interest under the GA40 as for Unit L, F & E of the B lease.

As with Unit L, the BLM royalty is the same, however the net revenue interests are different.

Please let me know if you need any more info or have any additional questions.

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Thursday, October 18, 2012 4:00 PM
To: Leslie Garvis
Subject: RE: NSL Approval Request for Gissler A 40

Dear Ms. Garvis

You have addressed the ownership of Units K and L of Section 14, Unit L being the drilling unit.

However, this proposed location – 2505 FSL & 1400 FNL – also encroaches to the north toward Unit F and to the northwest toward Unit E.

Do Units E and F also have identical working interest ownership with Unit L? If not additional notices are required.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis

Regulatory Coordinator

Burnett Oil Co., Inc.

Burnett Plaza-Suite 1500

801 Cherry Street - Unit #9

Fort Worth, TX 76102

Office: 817.332.5108 ext 6326

Fax: 817.332.2438

Email: lgarvis@burnettoil.com

Brooks, David K., EMNRD

From: Leslie Garvis <lgarvis@burnettoil.com>
Sent: Monday, October 22, 2012 9:56 AM
To: Brooks, David K., EMNRD
Subject: RE: NSL Approval Request for Gissler A 40

David,

I have confirmed with my land department and yes the working interests for E,F, K, & L are all the same.

Thank you,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Monday, October 22, 2012 9:46 AM
To: Leslie Garvis
Subject: RE: NSL Approval Request for Gissler A 40

Good morning, Ms. Garvis

My assumption from the discussion in your application regarding Units K and L was that the NRIs were different due to overrides, and the working interest was owned in the same proportions in both units. Is that correct? And is it true for all units? If so, we can proceed since notice to override owners is not required.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Friday, October 19, 2012 8:33 AM
To: Brooks, David K., EMNRD
Subject: RE: NSL Approval Request for Gissler A 40

David,

I have confirmed that the working interest owners have the same interest under the GA40 as for Unit L, F & E of the B lease.

As with Unit L, the BLM royalty is the same, however the net revenue interests are different.

Please let me know if you need any more info or have any additional questions.

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Thursday, October 18, 2012 4:00 PM
To: Leslie Garvis
Subject: RE: NSL Approval Request for Gissler A 40

Dear Ms. Garvis

You have addressed the ownership of Units K and L of Section 14, Unit L being the drilling unit.

However, this proposed location – 2505 FSL & 1400 FNL – also encroaches to the north toward Unit F and to the northwest toward Unit E.

Do Units E and F also have identical working interest ownership with Unit L? If not additional notices are required.

Sincerely

David K. Brooks

From: Leslie Garvis [<mailto:lgarvis@burnettoil.com>]
Sent: Wednesday, October 17, 2012 12:28 PM
To: Brooks, David K., EMNRD
Subject: NSL Approval Request for Gissler A 40

David,

Attached you will find out NSL approval request for Gissler A #40. I have also included a copy of our lease line map and C102.

Please let me know if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator
Burnett Oil Co., Inc.
Burnett Plaza-Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102
Office: 817.332.5108 ext 6326
Fax: 817.332.2438
Email: lgarvis@burnettoil.com