



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 17, 1997

Burnett Oil Co., Inc.
801 Cherry Street - Suite 1500
Fort Worth, Texas 76102-6869
Attention: Sterling Randolph

Administrative Order NSL-3871

Dear Mr. Randolph:

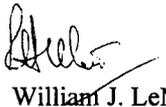
Reference is made to Burnett Oil Co., Inc.'s application dated August 18, 1997 for a non-standard Grayburg oil well location for the existing Grayburg Jackson San Andres Unit Well No. 49 (API No. 30-015-26968), to be redesignated the Jackson "A" Well No. 16, which was drilled in 1992 to a total depth of 3,551 feet and completed at a previously approved, more or less, unorthodox oil well location (see Division Order No. R-5206, dated April 27, 1976) in the Windfohr Grayburg-Jackson Waterflood Project, established by Division Order No. R-3257, dated June 8, 1967 for the purpose of completing an efficient production/injection pattern within said waterflood area, 1245 feet from the South line and 2570 feet from the East line (Unit O) of Section 13, Township 17 South, Range 30 East, NMPM, Grayburg Jackson (San Andres) Unit Area, Eddy County, New Mexico.

It is our understanding that said well is to be recompleted from the unitized San Andres formation of the Grayburg-Jackson Pool to the non-unitized Grayburg portion of said Pool and pursuant to **Rule 104.C(1)(a)** of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), said well location is unorthodox. Further, the SW/4 SE/4 of said Section 13 shall be dedicated to the well in order to form a standard 40-acre oil spacing and proration unit.

The application has been duly filed under the provisions of Division General **Rule 104.F**; therefore, by the authority granted me under the provisions of Division General **Rule 104.F(2)**, the above-described unorthodox Grayburg oil well location is hereby approved.

That portion of said original Order R-5206 which approved, more or less, the unorthodox San Andres oil well location for the Grayburg Jackson San Andres Unit Well No. 49 shall be placed in abeyance until further notice.

Sincerely,

WJL
by  Deputy Director
William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad