

6666

April 18, 2011

30-015-39209

New Mexico Oil Conservation Division  
1301 Grand Avenue  
Artesia, New Mexico 88210  
Attn: Randy Dade

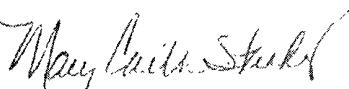
Re: H2S Rule 118 Contingency Plan. Federal Lease NMNM2478  
Gissler B #70 Unit K, 2210' FSL, 1750' FWL  
Sec. 11, T17S, R30E- Eddy County, New Mexico

Dear Mr. Dade:

Please accept this letter as our notice we do not believe the referenced plan is required for the referenced well. We have calculated the hazard volume as follows: highest H2S quantity 10,000 PPM, and using a production rate of 225 MCFGPD the 100 PPM radius is 181' and the 500 PPM radius is 83'. This footage does not give off our well locations.

Please contact our Mr.. Mark Jacoby or the undersigned if you require additional information.

Sincerely,



Mary Carter Starkey  
Regulatory Coordinator

## HYDROGEN SULFIDE (H<sub>2</sub>S) CONTINGENCY PLAN

ASSUMED 100 PPM ROE = 3000'

### Emergency Procedures

**In the event of a release of gas containing H<sub>2</sub>S, The first responder(s) must**

- \* Isolate the area and prevent entry by other persons into the 100 PPM ROE.
- \* Evacuate any public places encompassed by 100 PPM ROE.
- \* Be equipped with H<sub>2</sub>S monitors and air packs in order to control release.
- \* Use the "buddy system" to ensure no injuries occur during the response.
- \* Take precautions to avoid personal injury during this operation.
- \* Have received training in the following:
  1. H<sub>2</sub>S detection
  2. Measures for protection against this gas
  3. Equipment used for protection and emergency response.

### Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>.) Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the New Mexico State Police may become involved. NM State Police shall be the incident command on scene of any major release. Take care to protect downwind whenever there is an ignition of gas.

### **Characteristics of H<sub>2</sub>S and SO<sub>2</sub>**

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	NA	1000 ppm

### **Contacting Authorities**

Burnett Oil Co., Inc. personal must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind and direction, location of release, etc. **Be sure all is written down and ready to give to contact list (Drilling Exhibit A.) Directions to the site are below.** Burnett's response must be in coordination with the State of New Mexico's Hazardous Materials Emergency Response Plan.

**Burnett Office 87 SQUARE LAKE ROAD (CR #220), Loco Hills, New Mexico 88255  
(Loco Hills, New Mexico (2 MILES East of Loco Hills On US Hwy 82 TO C#220 Then North On CR# 220 Approx One Mile To Office**

**BURNETT OIL CO., INC.**

DRILLING EXHIBIT B

## BURNETT OIL CO., INC. EMERGENCY NOTIFICATION LIST

**Burnett's New Mexico Office** (575) 677-2313  
**Belton Mathews BOCI District Superintendent** CELL (575) 703-9601  
BURNETT OIL HOME OFFICE (817) 332-5108  
**Mark Jacoby BOCI ENGINEERING MANAGER** CELL (817) 312- 2751

**EDDY COUNTY SHERIFF** 911 OR (575) 746-9888  
**NEW MEXICO STATE POLICE** (575) 746-2701

**Loco Hills Fire Department (VOLUNTEER ONLY)** 911 OR (575) 677 2349  
**For Medical and Fire** (575) 746-2701 (ARTESIA)

**Flight for Life Air Ambulance (LUBBOCK)** (806) 743-9911  
**Aerocare Air Ambulance (LUBBOCK)** (806) 747-8923  
**Med Flight Air Ambulance (ALBUQ)** (505) 842-4433  
**S B Med Svc Air Ambulance (ALBUQ)** (505) 842-4949

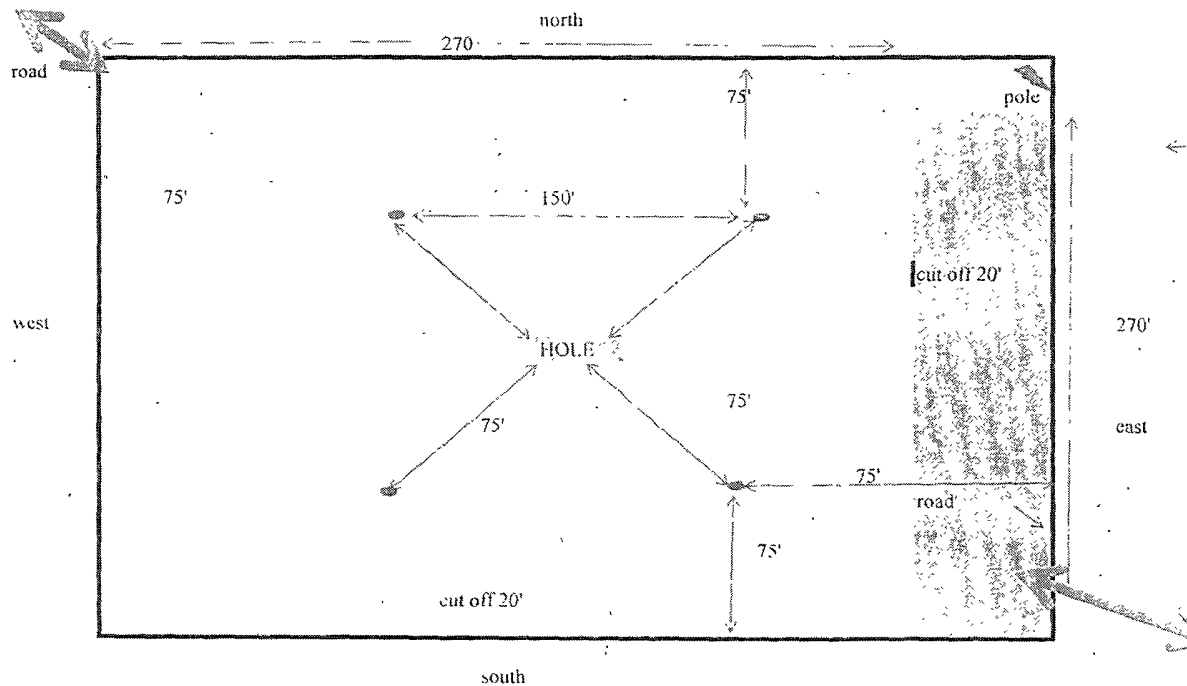
**US Bureau of Land Management Carlsbad** (575) 361-2822 (575) 234-5972  
**New Mexico Oil Conversation Division** ARTESIA (575) 748-1283  
**New Mexico Emergency Response Commission** 24 HR (575) 827-9126  
**New Mexico State Emergency Operation Center** (575) 476-9635  
**Local Emergency Planning Committee (Artesia)** (575) 746-2122  
**National Emergency Response Center (Washington, DC)** (800) 424-8802

**Boots & Coots IWC** (800) 256-9688  
**Cudd Pressure Control** (432) 570-5300  
**Halliburton Svc** (575) 746-2757  
**B J Svc** (575) 746-2293

**THIS MUST BE POSTED AT THE RIG WHILE ON LOCATION.**

**Burnett Office 87 SQUARE LAKE ROAD (CR #220), Loco Hills, New Mexico 88255**  
(Loco Hills, New Mexico (2 MILES East of Loco Hills On US Hwy 82 TO C#220 Then North On CR# 220 Approx One Mile To Office.).

DRILLING EXHIBIT A



Assler B 70  
Reclamation Plat  
Exhibit F

**BURNETT OIL CO., INC. OPERATOR CERTIFICATION**  
**ALL VERTICAL CEDAR LAKE YESO/ LOCO HILLS PADDOCK WELLS, GRAYBURG SAN**  
**ANDRES WELLS**

FEDERAL LEASE # LC029338A, LC029339A, LC030570A, LC055264, LC022958, NM 2746, NM2747,  
NM2748, NM05067 & NM074939

Section 1, 8, 11, 12, 13, 23, 24 & 25 Township 17 South, Range 30 East, Eddy County, N.M

**Operator's Representative:**

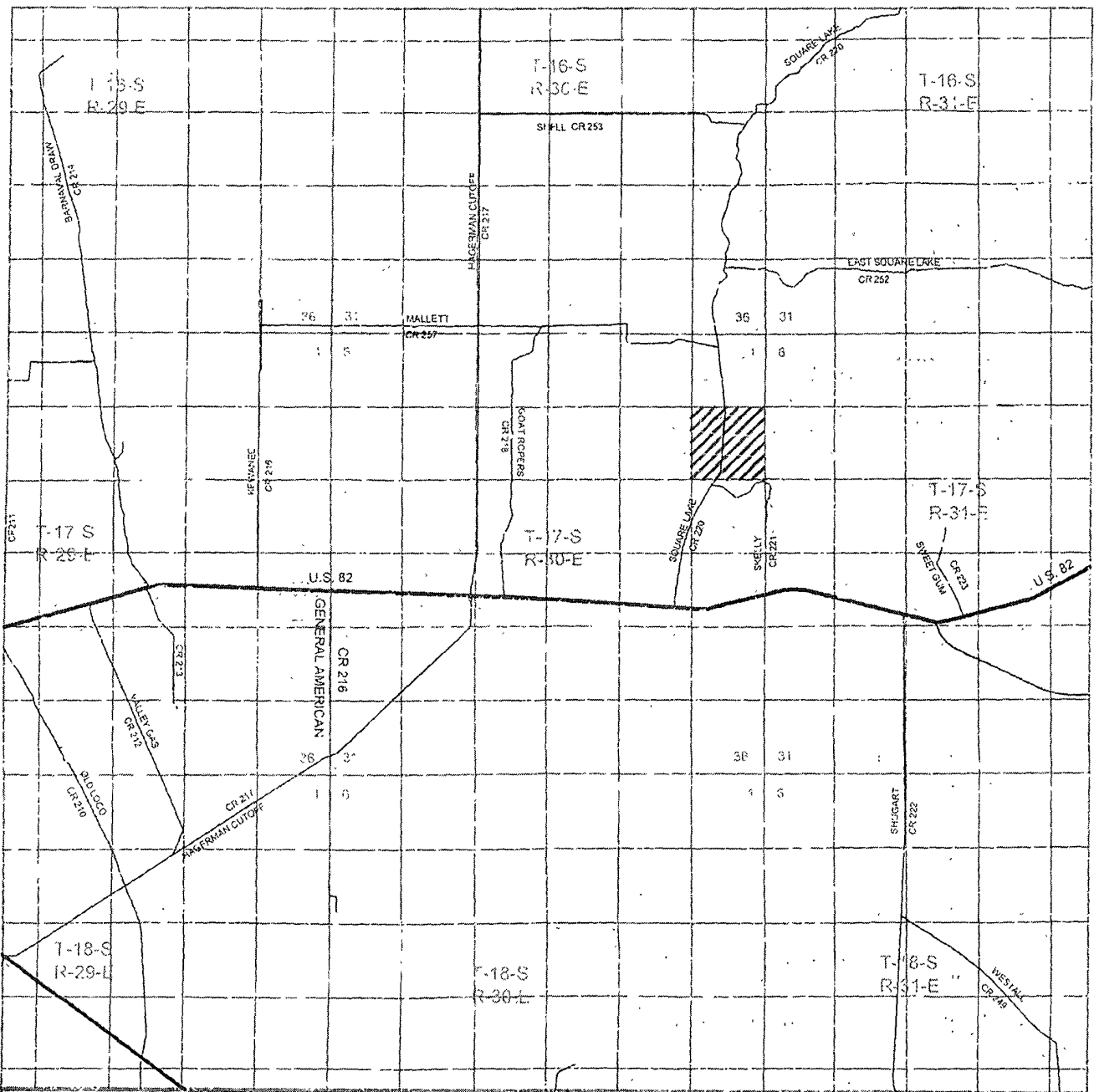
Burnett Oil Co., Inc. field representative responsible for compliance with the approved surface  
use and operations plan is:

Mr. Belton Mathews, District Supt.  
P.O. Box 188  
Loco Hills, New Mexico 88255  
Office phone: (575) 677-2313  
Home phone: (575) 746-8647  
Cellular phone: (575) 703-9601

I hereby certify that I, or persons under my direct supervision have inspected the drill site and access  
route; that I am familiar with the conditions that currently exist; that the statements made in this plan are  
to the best of my knowledge, true and correct; and that the work associated with operations proposed  
herein will be performed by Burnett Oil Co., Inc. and its contractors and subcontractors in conformity with  
this plan and the terms and conditions under which it is approved. This statement is subject to the  
provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 4/6/11

By Mark A. Jacoby  
Mark A. Jacoby  
Engineering Manager



GISSLER "B" FEDERAL #70

SURFACE EXHIBIT A

Located 2210' FSL and 1750' FWL

Section 11, Township 17 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**  
focus on excellence  
in the oilfield

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

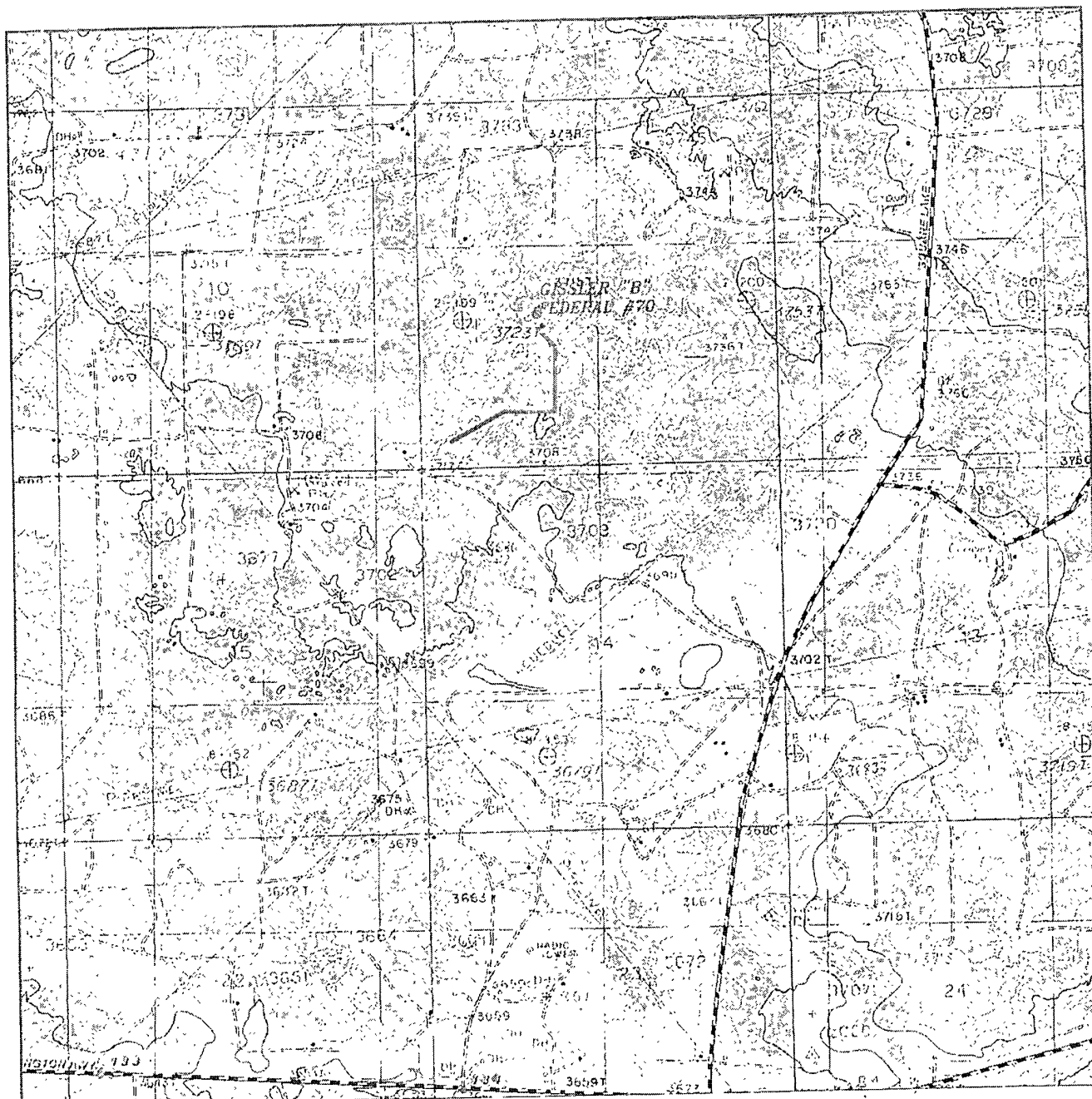
WD Number: JMS 24294

Survey Date 03-23-2011

Scale: 1" = 2 Miles

Date 03-28-2011

**BURNETT OIL**  
**COMPANY, INC.**



GISSLER "B" FEDERAL #70

· SURFACE EXHIBIT A1

Located 2210' FSL and 1750' FWL

Section 11, 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

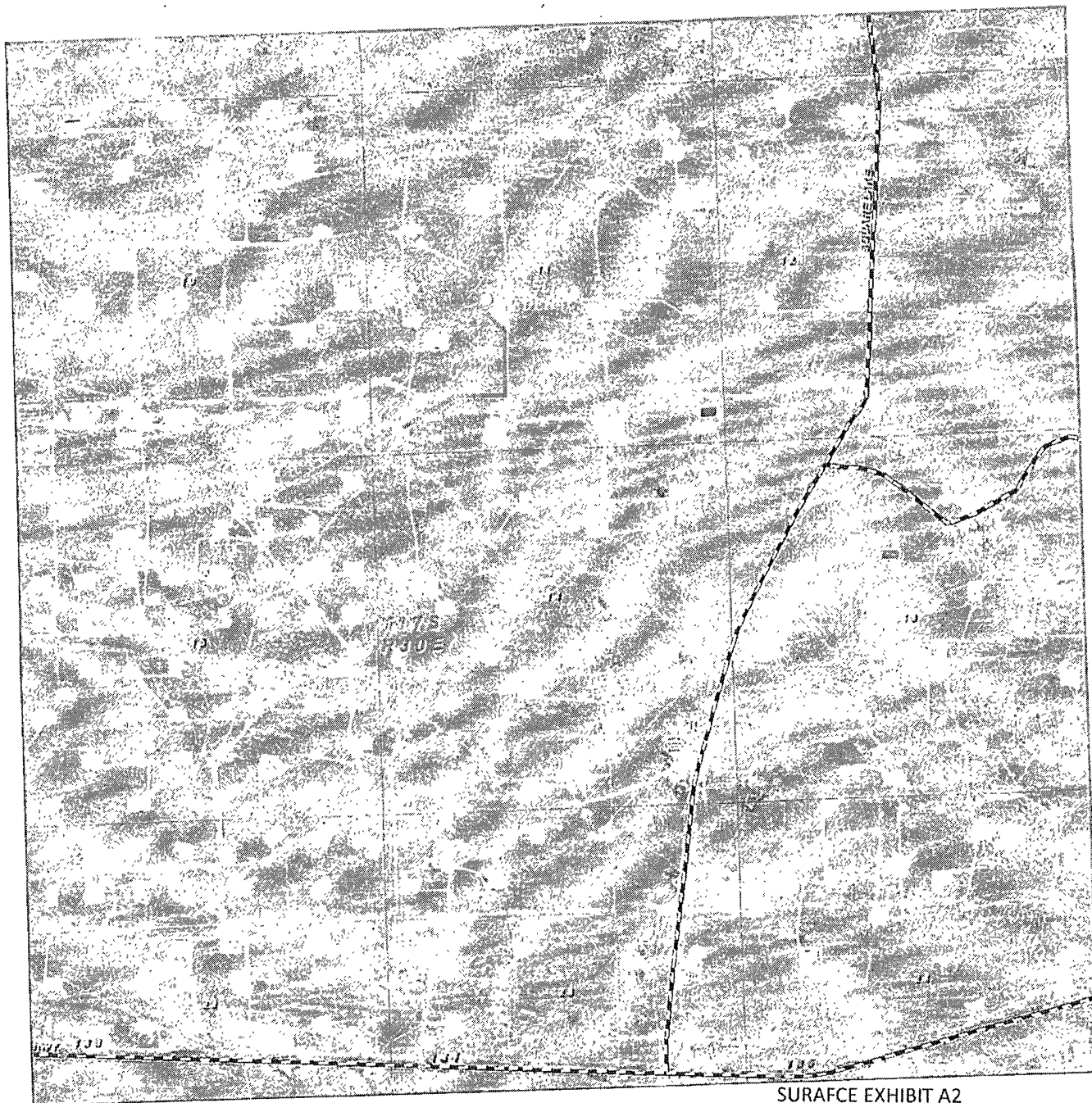
W.C. Number JMS 24294

Survey Date 03-23-2011

Scale 1" = 2000'

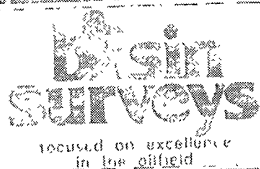
Date 03-22-2011

BURNETT OIL  
COMPANY, INC.



SURFACE EXHIBIT A2

GISSLER "B" FEDERAL #70  
 Located 2210' FSL and 1750' FWL  
 Section 11, 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) 393-7310 Office  
 (575) 392-2206 Fax  
 basinsurveys.com

W.O. Number JMS 2429A

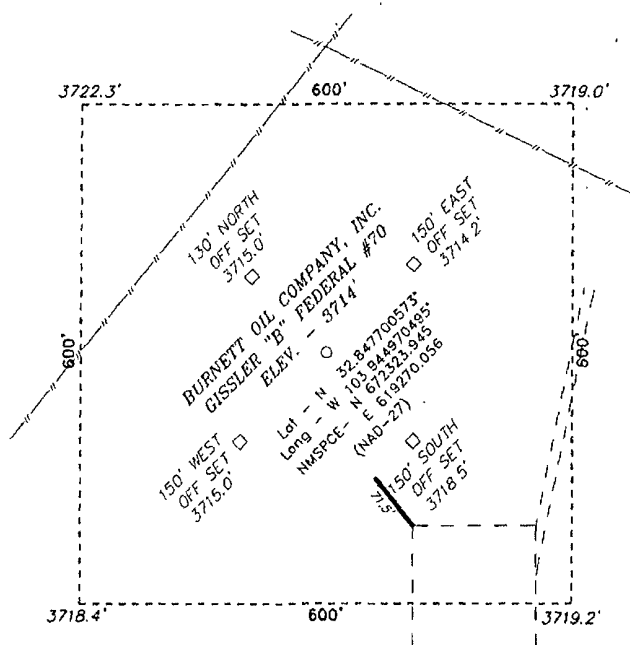
Scale: 1" = 2000'

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

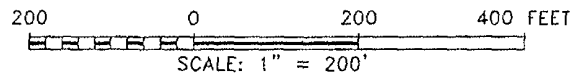
BURNETT OIL  
 COMPANY, INC.



SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



SURFACE EXHIBIT C



Directions to Location

FROM THE JUNCTION OF THE SQUARE LAKE AND THE ARTESIA HWY, GO NORTH ON SQUARE LAKE FOR 2.4 MILES TO LEASE ROAD, ON LEASE ROAD GO WEST 1.1 MILES TURNING SOUTH 0.5 MILES TO PROPOSED LEASE ROAD.

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

W.O. Number: 24294 Drawn By J. SMALL

Date: 03-28-2011 Disk: JMS 24294

**BURNETT OIL COMPANY, INC.**

REF: GISSLER "B" FEDERAL #70 / WELL PAD TOPO

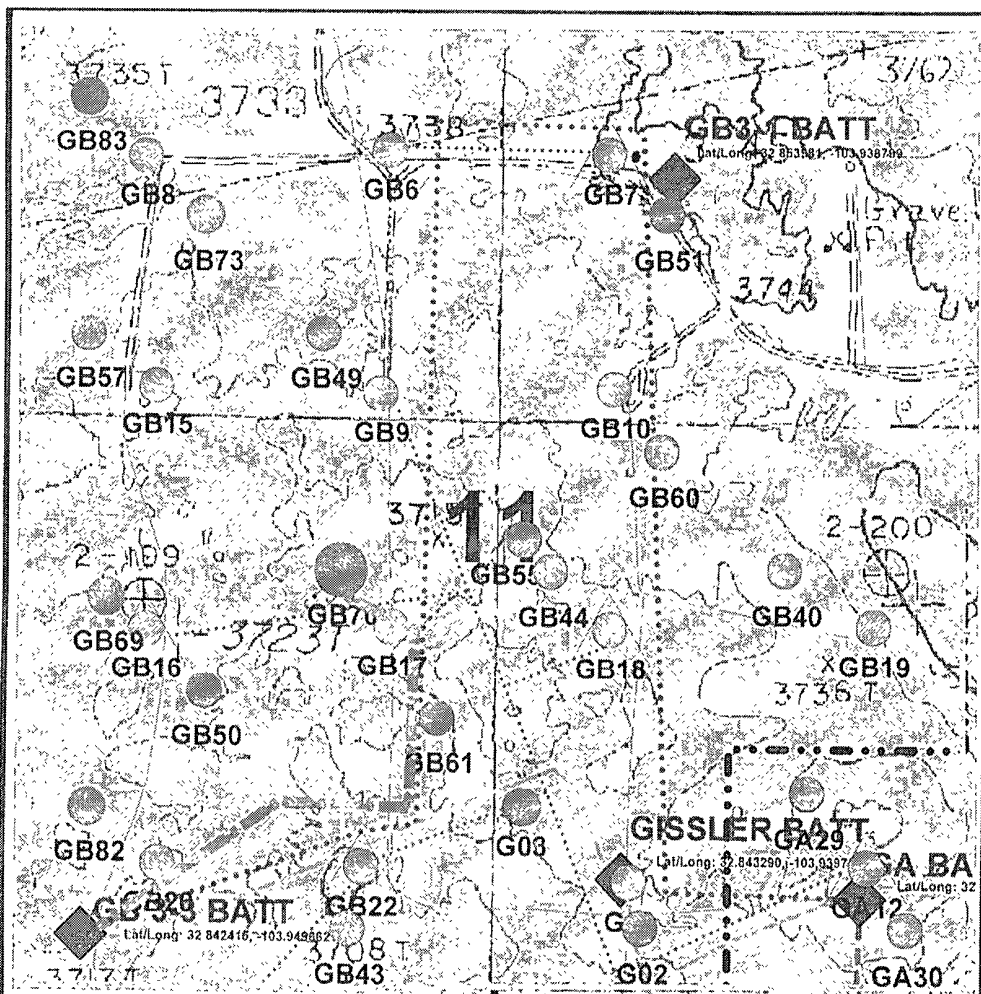
THE GISSLER "B" FEDERAL #70 LOCATED 2210'

FROM THE SOUTH LINE AND 1750' FROM THE WEST LINE OF

SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

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



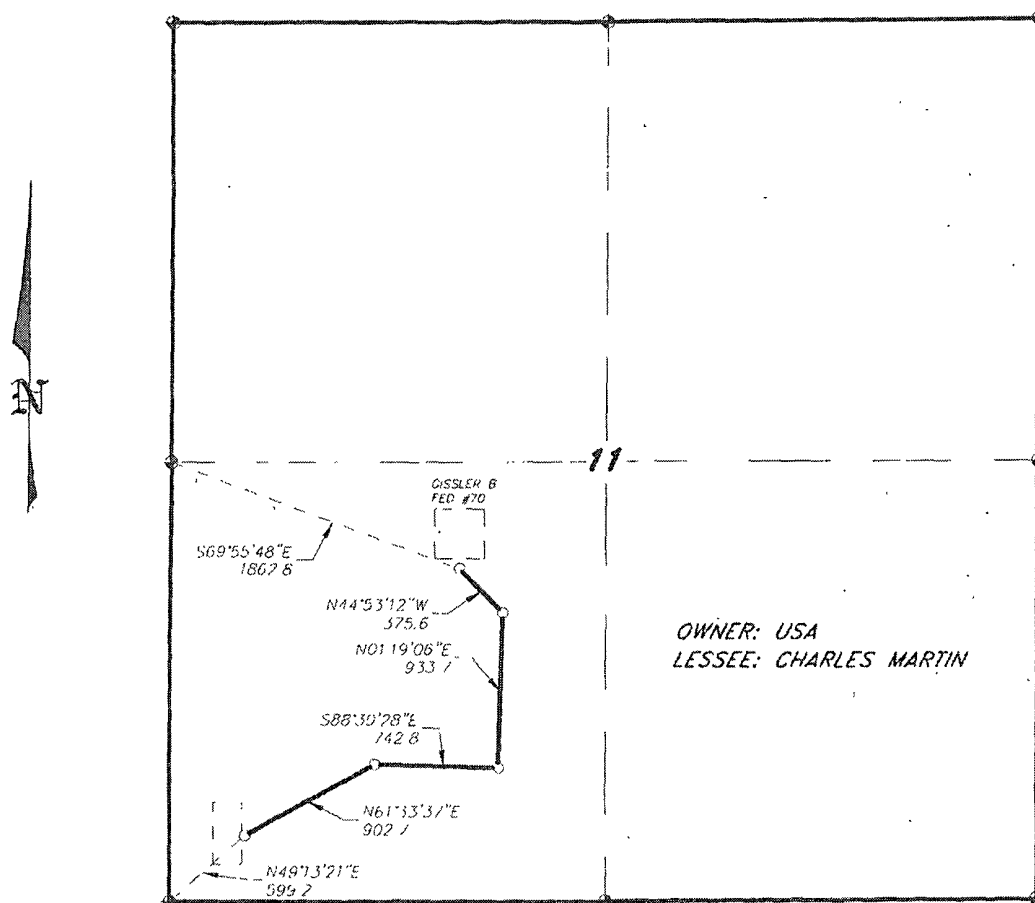
# Well Names

GA = Gissler A  
 GB = Gissler B  
 JA = Jackson A  
 JB = Jackson B  
 SA = Stevens A  
 SB = Stevens B  
 GJSA = Grayburg Jackson San Andres

Burnett Oil Co., Inc. 6666		
Gissler B70 Proposed Well Location (Map Reflects Burnett Operated Wells Only) Eddy County, New Mexico		
Author: C.E.K. Lee Tech	Date: April 2011	
Scale: 1" = 750'		

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SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 300 FEET WIDE, LOCATED IN SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.; EDDY COUNTY, NEW MEXICO AND BEING 150 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 11 = 2954.8 FEET = 1/908 RODS = 0.56 MILES = 2.03 ACRES

SURFACE EXHIBIT C2

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

**GARY L. JONES**  
REGISTERED PROFESSIONAL LAND SURVEYOR  
TEXAS P.L.S. No. 7977  
No. 5074

1000 0 1000 2000 FEET

**BURNETT OIL COMPANY, INC.**

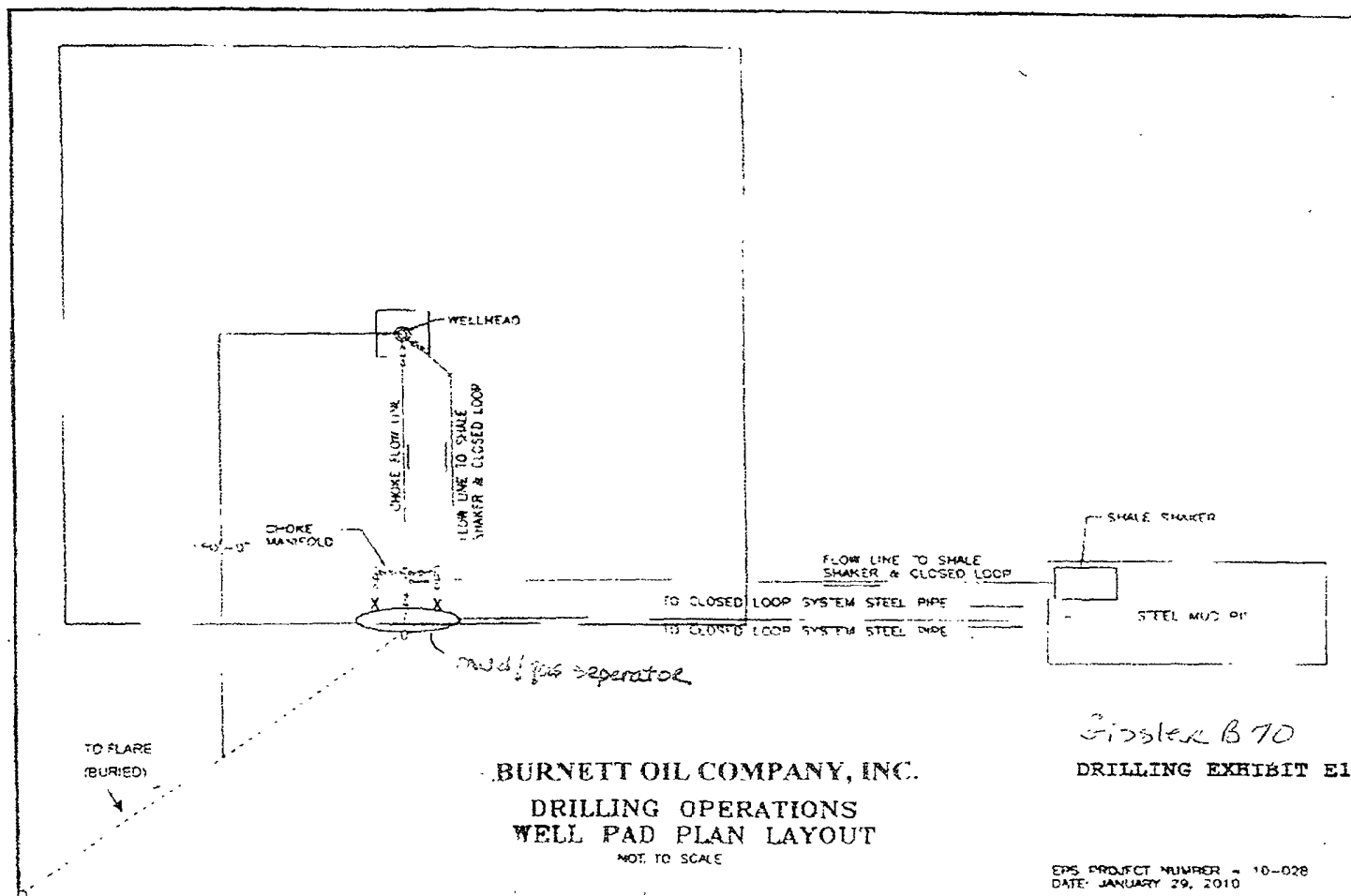
REF. PROPOSED FLOWLINE TO THE GISSLER "E" FEDERAL #70

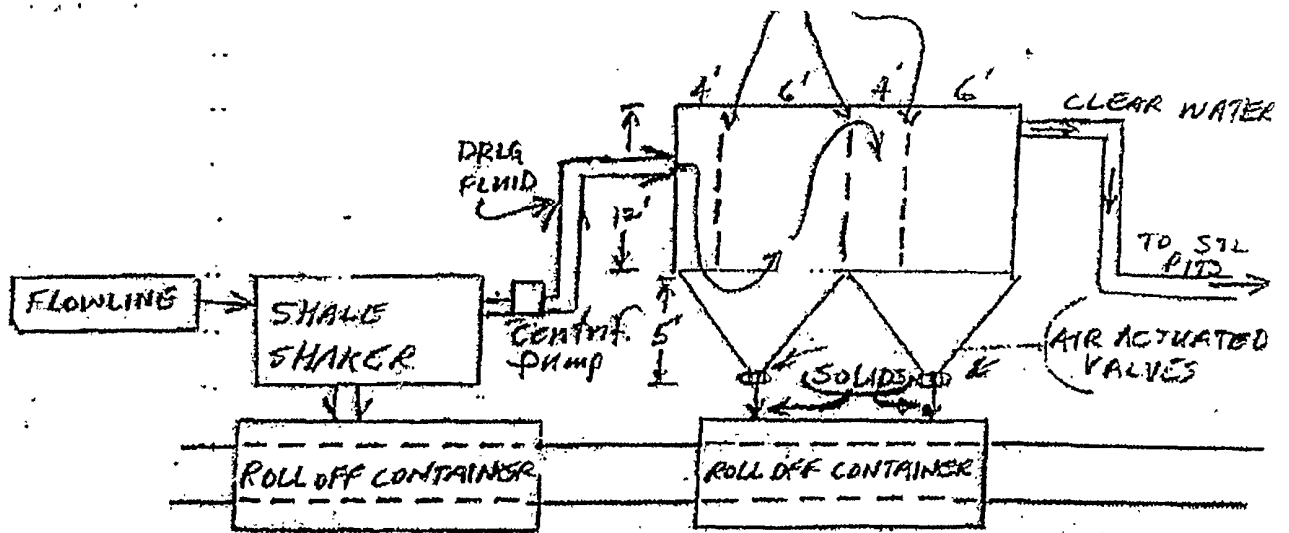
A FLOWLINE CROSSING USA LAND IN  
SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

WQ Number. 24294 Drawn By J. M. SMALL  
Date 03-28-2011 Disk JMS 24294

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





#### OPERATIONAL & MAINTENANCE

DRILLING FLUIDS FROM THE WELLBORE WILL GO THROUGH FLOWLINE ACROSS SHALE SHAKER. SOLIDS WILL DROP INTO ROLL-OFF CONTAINERS WITH BAFFLES AS DRAWN ABOVE. BAFFLES SLOW FLUID VELOCITY TO ALLOW SOLIDS TO FALL DOWN THROUGH 6" AIR ACTUATED VALVES INTO ROLL-OFF CONTAINERS. CLEAN WATER GOES OUT BACK TO THE DRILLING FLUID STEEL PITS. SOLIDS ARE HAULED TO DISPOSAL. ANY LEFTOVER LIQUID WILL BE HAULED TO DISPOSAL.

BURNETT OIL CO., INC.

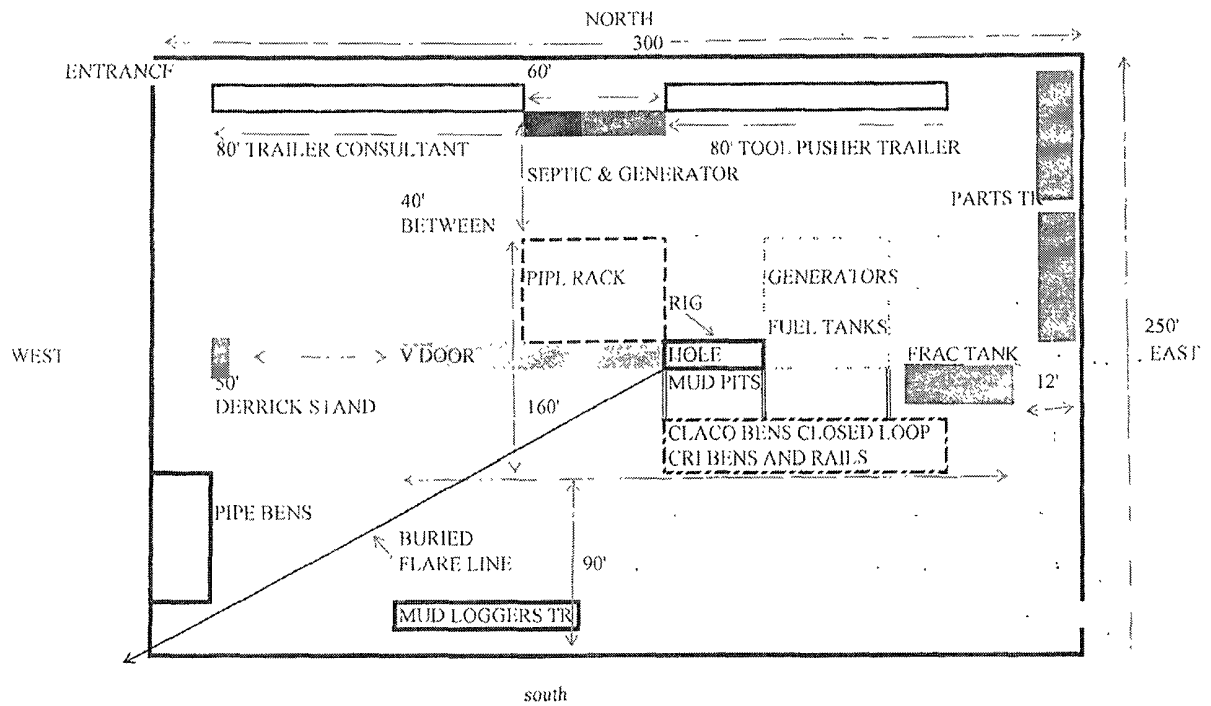
#### Operations and Maintenance

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed. Any leak in system will be repaired and/or contained immediately.  
OCD notified within 48 hours  
Remediation process started

#### Closure Plan

During drilling operations all liquids, drilling fluids and cutting will be hauled off via CRO (Controlled Recovery Incorporated Permit R-9166.)

SURFACE EXHIBIT D1



Rig layout Diagram

Gissler B 70