

30-015-39217

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

Gissler b.80

HYDROGEN SULFIDE (H₂S) CONTINGENCY PLAN

ASSUMED 100 PPM ROE = 3000'

Emergency Procedures

In the event of a release of gas containing H₂S, 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 H₂S 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. H₂S 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 (SO₂.) 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 H₂S and SO₂

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

61351ea B 80

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, LC055958, NM2746,
NM2747 NM2748, NM05067 & NM074939
Section 1, 8, 11, 12, 13, 14, 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: 4/15/11

By Mark A. Jacoby
Mark A. Jacoby
Engineering Manager

April 26, 2011

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

Re: H2S Rule 118 Contingency Plan. Federal Lease NMNM074939
Gissler B #80 Unit H, 2160' FNL, 990' FEL
Sec. 8, T17S, R30E- Eddy County, New Mexico

Dear Mr. Dade:

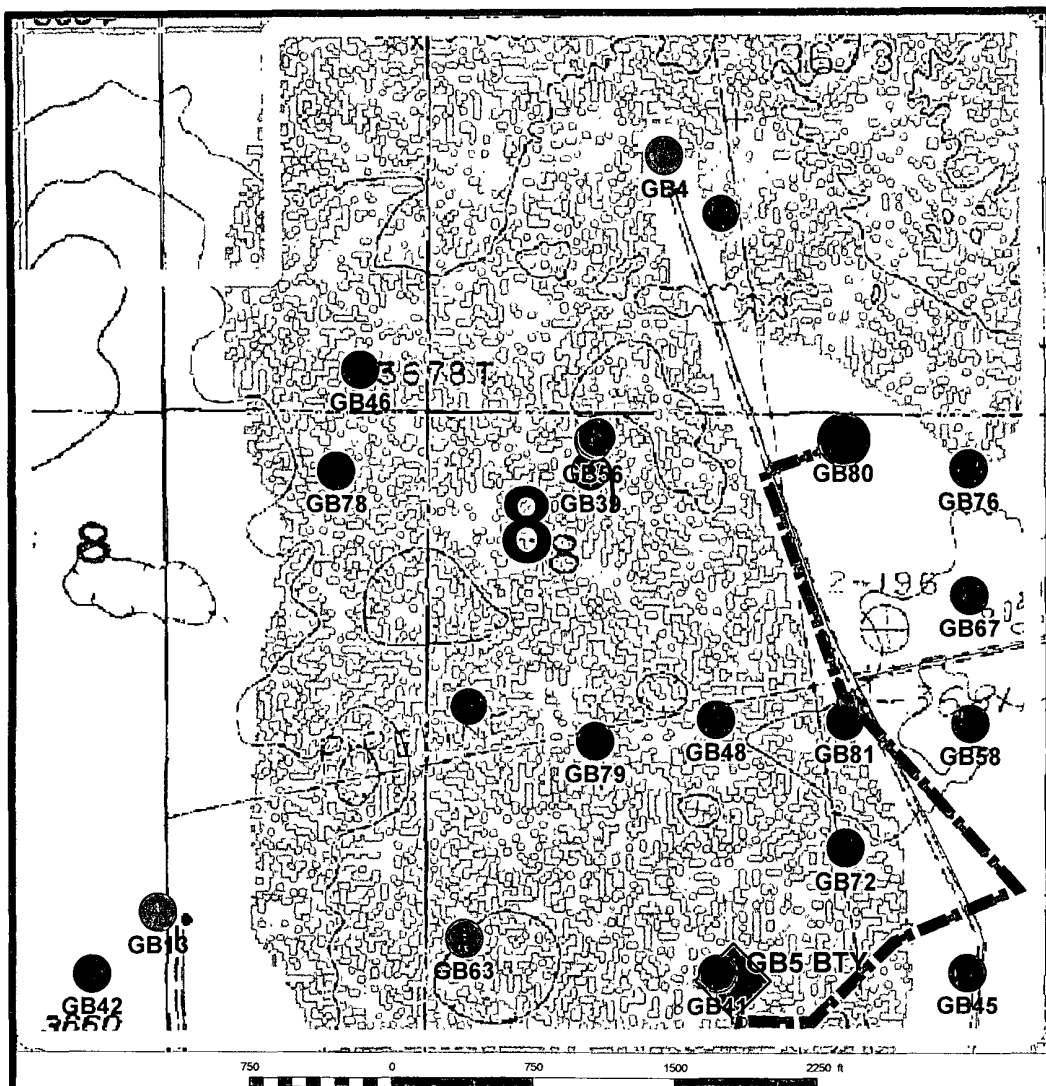
Please accept this letter as our notice we do not believe the referenced plan is required for the referenced well. We have calculated the hazard volume as follows: highest H2S quantity 10,000 PPM, and using a production rate of 225 MCFGPD the 100 PPM radius is 181' and the 500 PPM radius is 83'. This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

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary Carter Starkey".

Mary Carter Starkey
Regulatory Coordinator



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 B80 Proposed Well Location (Map Reflects Burnett Operated Wells Only Eddy County, New Mexico)		
Author CLK, Eng. Tech.	Scale 1" = 750'	Date April 6, 2011



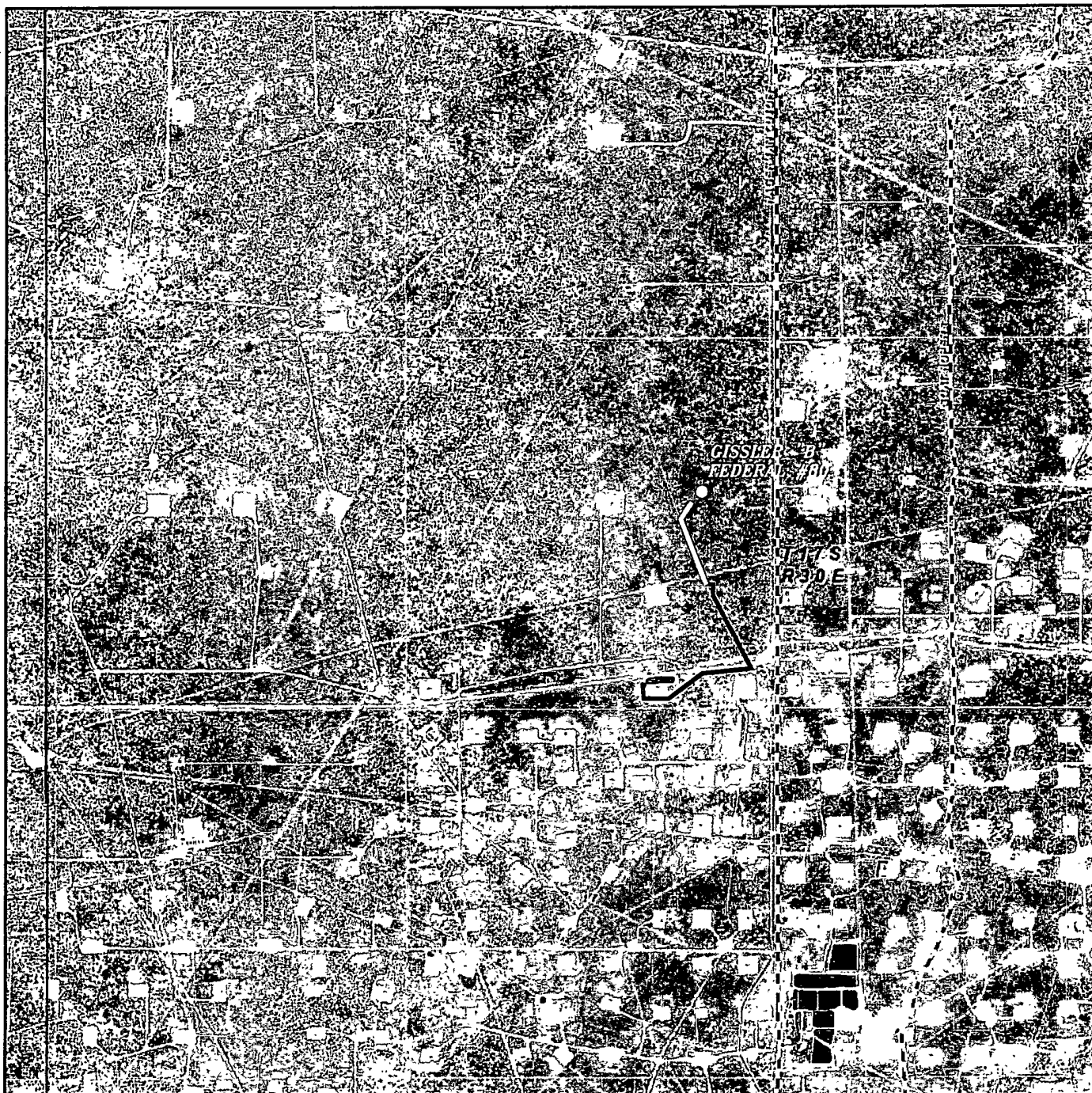
SURFACE EXHIBIT B

Gissler B80

T17S, R30E, Sect 8, Unit H, NMNM: 05067
 2160' FNL, 990' FEL, GB5 Battery
 Lat/Long: 32.850303, -103.98827

4688'

PROPOSED FLOWLINE



GISSLER "B" ----- 80 SURFACE EXHIBIT A2
 Located 2160' FNL and 990' FEL
 Section 8, 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 1786
 1120 N West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: JMS 24310

Scale. 1" = 2000'

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

BURNETT OIL
COMPANY, INC.

3669.5' 600' 3670.7'

150' NORTH
OFF SET
3672.3'

□

BURNETT OIL COMPANY, INC.
GISSLER "B" FEDERAL #80

ELEV. - 3674'

150' WEST OFF SET □ 150' EAST OFF SET □

3673.1' 3670.8'

Lat - N 32.850262554'
Long - W 103.988276244'
NMSPCE- N 673209.844
E 605967.318
(NAD-27)

□

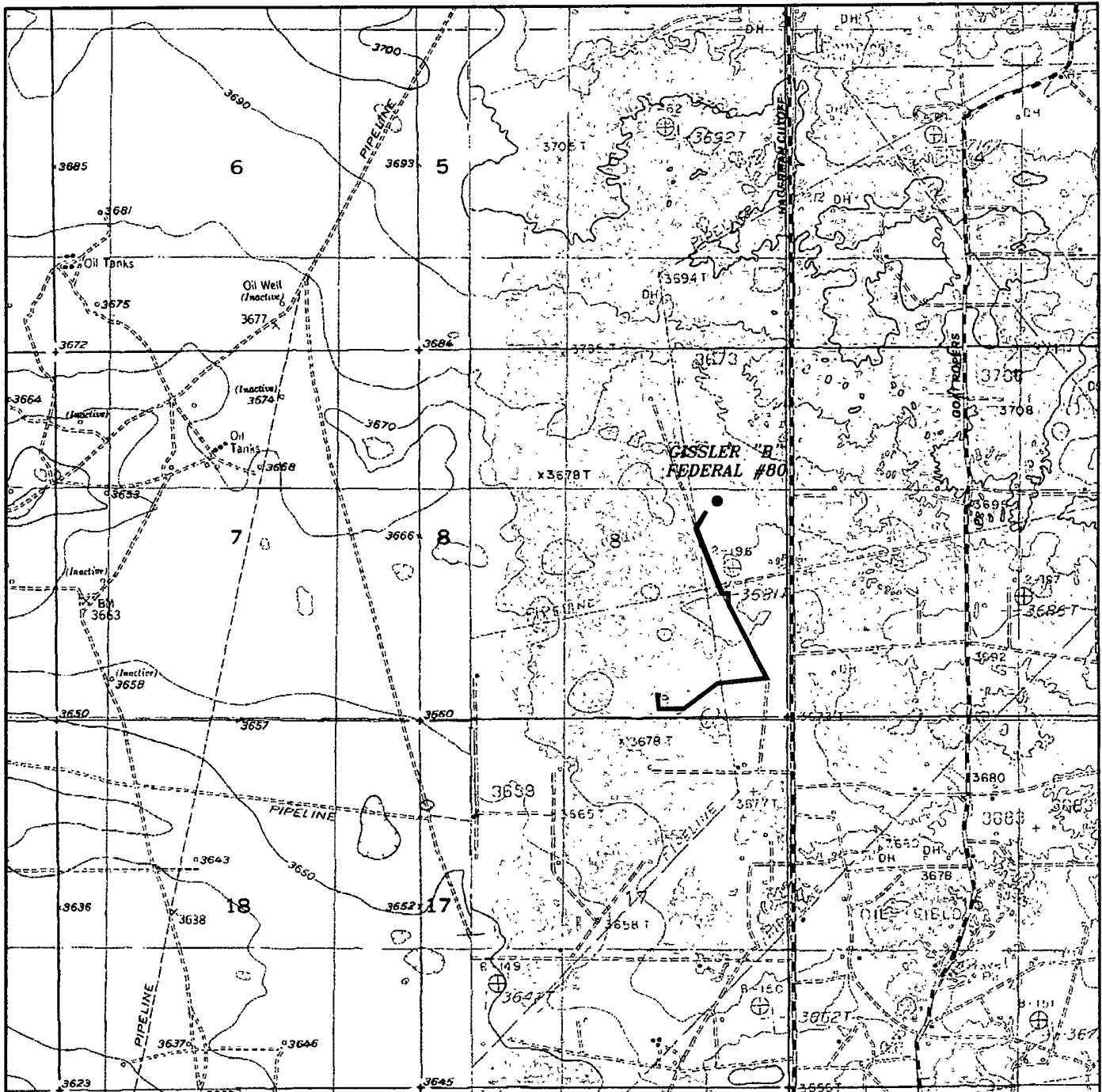
150' SOUTH
OFF SET
3673.3'

282.0'

3676.1' 600' 3674.8'

GISSLER B 81

Survey Date: 03-23-2011	Sheet 1 of 1 Sheets
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GISSLER "B" ----- #80

SURFACE EXHIBIT A1

Located 2160' FNL and 990' FEL
 Section 8, 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
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W.O. Number: JMS 24310

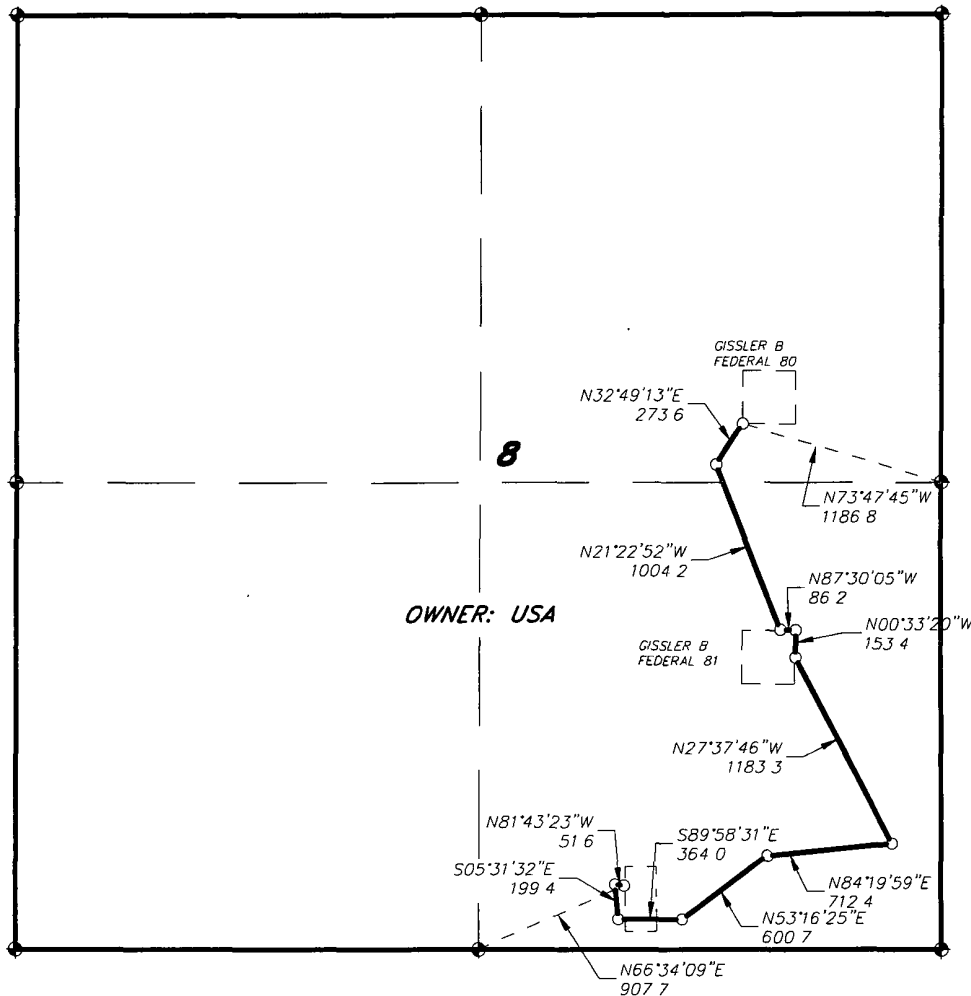
Survey Date: 03-23-2011

Scale: 1" = 2000'

Date: 03-28-2011

BURNETT OIL
 COMPANY, INC.

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



OWNER: USA

LEGAL DESCRIPTION

A STRIP OF LAND 300 FEET WIDE, LOCATED IN SECTION 8, 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 8 = 4628.8 FEET = 280.53 RODS = 0.88 MILES = 3.19 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
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR

GARY L. JONES N.M. P.S. No 7977
TEXAS P.L.S. No 5074

1000 0 1000 2000 FEET

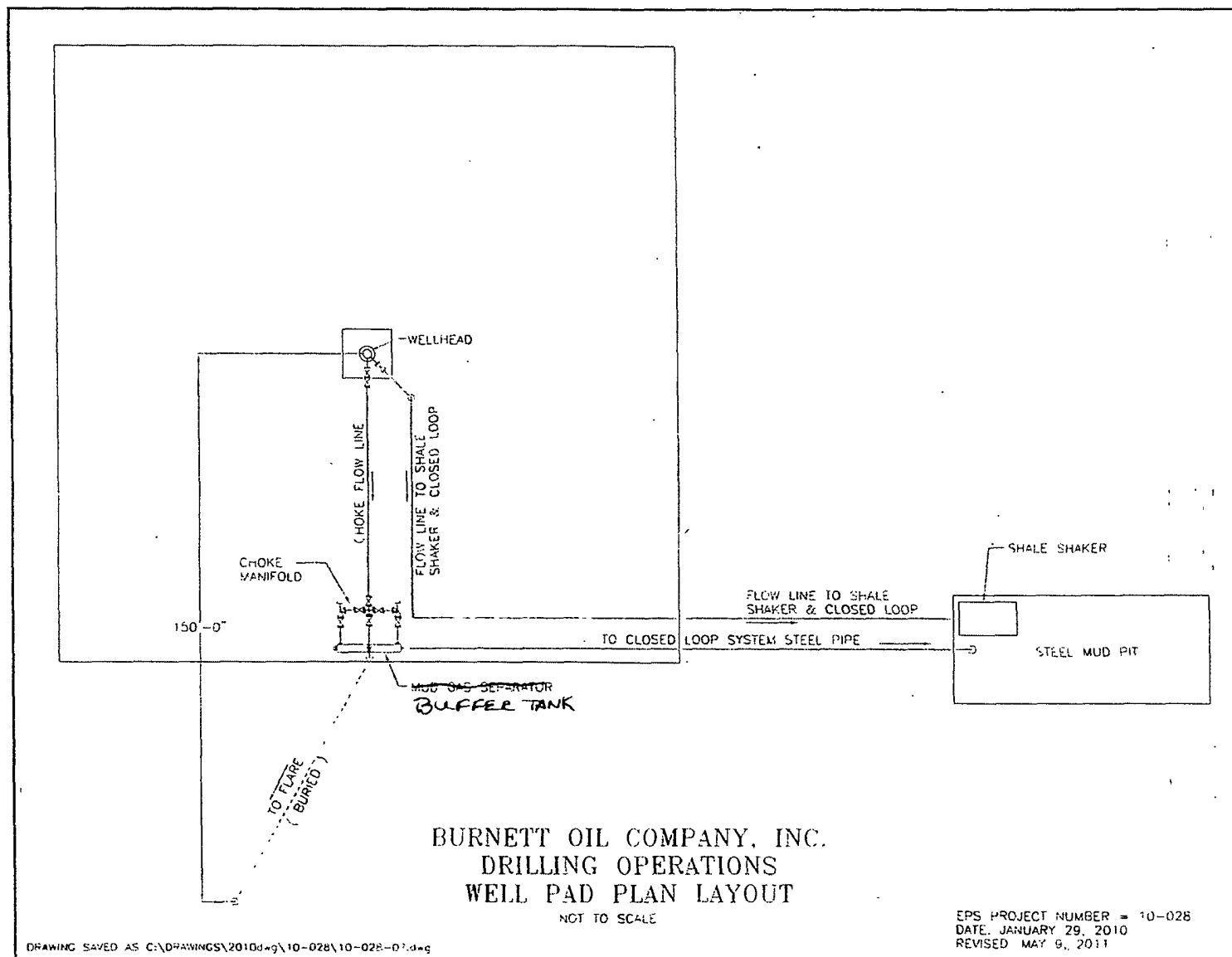
BURNETT OIL COMPANY, INC.

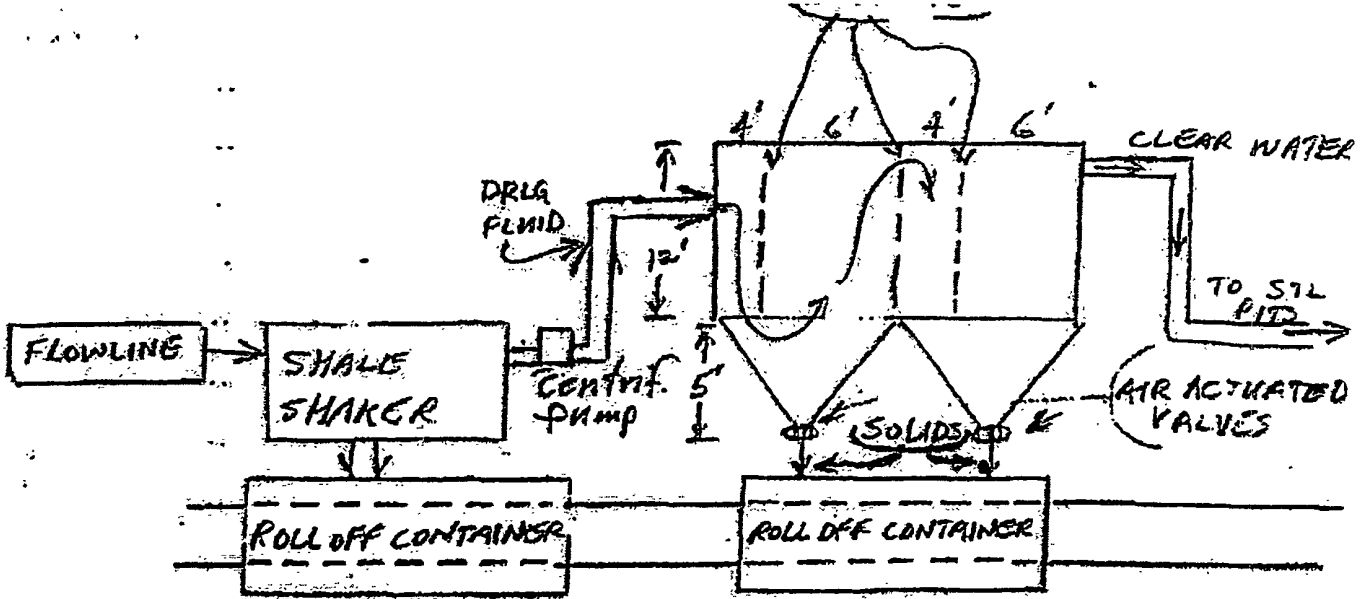
REF PROPOSED FLOWLINE TO THE GISSLER "B" FEDERAL #80

A FLOWLINE CROSSING USA LAND IN
SECTION 8, 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 24310	Drawn By. J. M. SMALL
Date 03-28-2011	Disk. JMS. 24310
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

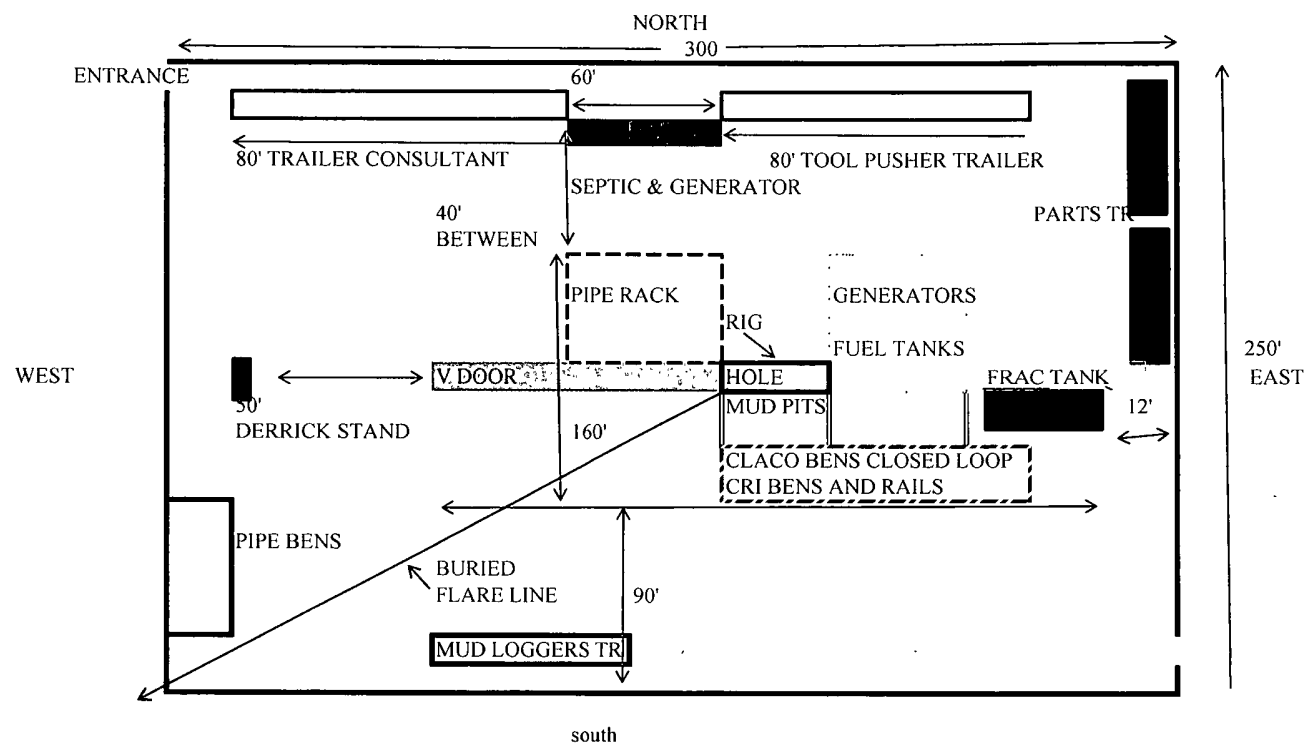
Remediation process started.

Closure Plan

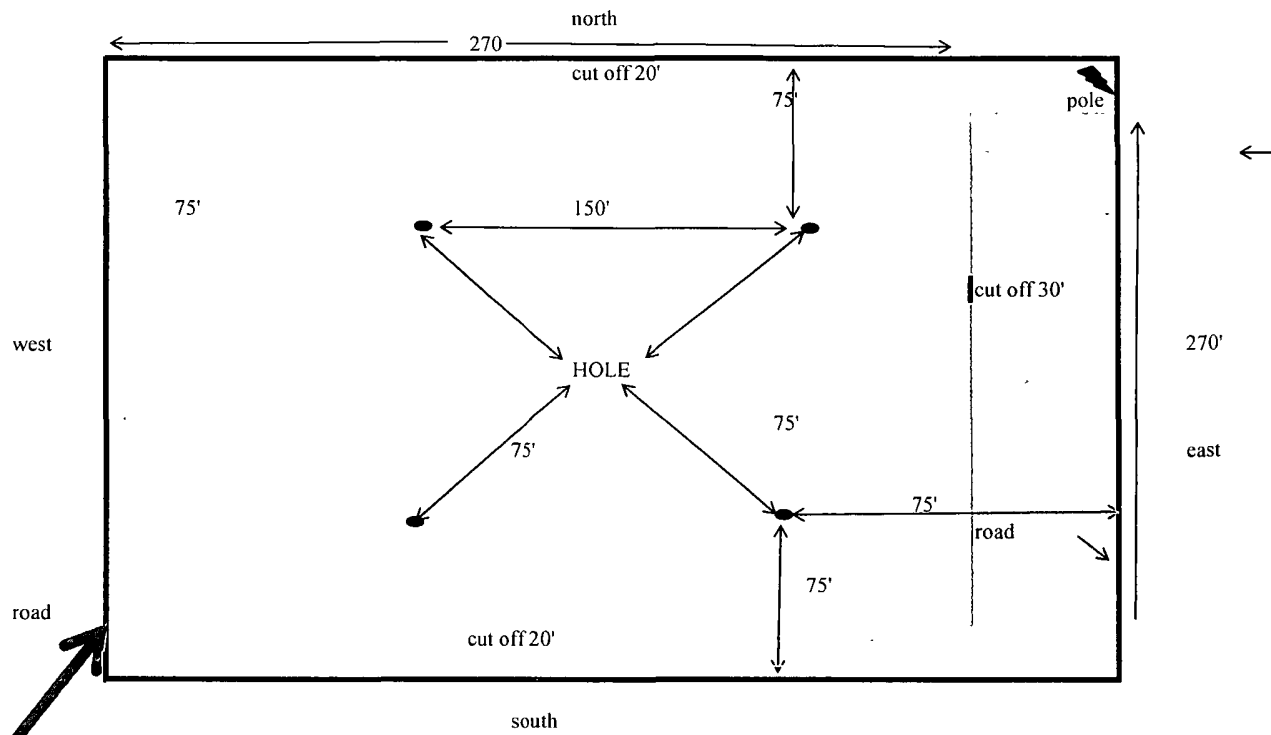
During drilling operations all liquids, drilling fluids and cutting will be hauled off via CRO (Controlled Recovery Incorporated Permit R-9166.)

SURFACE EXHIBIT D1

Grisler B 80



Coisler B 80
Proposed Drill site Layout



Geissler B 84
Drill site Reclamation Plat
Exhibit F