

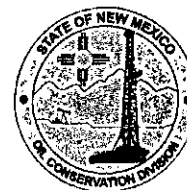
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



May 16, 2013

Burnett Oil Company, Inc.
801 Cherry Street, Unit #9
Ft. Worth, TX 76102
Attn: Leslie Garvis

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6800
Administrative Application Reference No. pPRG1310953443

Burnett Oil Company, Inc.
OGRID 03080
Jackson B Well No. 54
API No. 30-015-41190

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
990 FSL & 1600 FWL	N	1	17S	30E	Eddy

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pools</u>	<u>Pool Codes</u>
SE/4 SW/4 of Section 1	40	Cedar Lake, Glorieta-Yeso	96831

Reference is made to your application received on April 19, 2013.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

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It is our understanding that you are seeking this location approval in order to minimize surface impacts, protect correlative rights, and prevent waste.

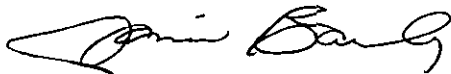
It is further understood that notice of this application to offsetting operators or owners is not required due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized, cursive script.

Jami Bailey
Director

JB/prg

cc: New Mexico Oil Conservation Division – Artesia District Office
Bureau of Land Management - Carlsbad