

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Burnet Oil
Diesel A #29
5518

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

2006 OCT 17 AM

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

[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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Certification**

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Mark A. Jacoby
Print or Type Name

Mark A. Jacoby
Signature

PETROLEUM ENGINEER
Title

10/16/06
Date

e-mail Address



October 16, 2006

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Attn: Engineering Department

Re: Gissler A #29 30-015-3111
Unit P, 1070' FSL, 860' FEL
SEC.11, T17S, R30E- Eddy County, New Mexico

Gentlemen:

Burnett Oil Co., Inc. respectfully requests an exception without notice and hearing to NMOCD Rule 104 for the Gissler A #29 (Loco Hills Paddock) well. The original spot of this EOG dry hole is a non-standard location for our Federal lease LC- 029338A. The use of this old well bore allows us to conserve the amount of land that must be disturbed. The flow line will follow an existing road to our existing Gissler A tank battery on the lease. The attached plat shows we are the Operator of Record for all the wells on all sides of this well site. **All of the interest ownership for this entire lease is exactly the same.** A copy of our approved 3160-3 is enclosed for your records.

Please contact the undersigned if you should need any more information or have any question.

Yours truly,

James H. Arline
Materials Coordinator

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE
 Re ENTRY

2. NAME OF OPERATOR
 BURNETT OIL CO., INC (817/332-5108)

3. ADDRESS OF OPERATOR
 801 CHERRY STREET, SUITE 1500, FORT WORTH, TEXAS 76102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface UNIT P, 1070' FSL, 860' FEL

At proposed location SAME AS SURFACE Non-Standard Location

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 APPROXIMATELY 6 MILES EAST OF LOCO HILLS, NEW MEXICO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

16. NO. OF ACRES IN LEASE 120

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 330'

19. PROPOSED DEPTH 5400'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3737 GR 3743 GR

22. APPROX. DATE WORK WILL START*
 SEPTEMBER 16, 2006

23. PROPOSED CASING AND CEMENTING PROGRAM Roswell Controlled Water Basin

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	11 3/4"	42# IN PLACE	635'	430 Sks CL "C"
11"	8 5/8"	32# IN PLACE	3992'	1300 Sks CL "C"
7 7/8"	5 1/2"	15.5#	5400'	SEE SPEC pg 2 OF 7

A 14 3/4" hole was drilled to 635' and 11 jts of 11 3/4" 42# H40 ST&C casing set and cemented to surface. An 11" hole was drilled to 3992' & 90 jts 8 5/8" 32# J55 ST&C was set and cemented to surface. A 7 7/8" hole was drilled to TD. This well bore was plugged and abandoned in July 2000. A copy of the EOG plugging filing is included in our request to re-enter this well bore. Per the attached letter from EOG Resources Inc. we propose to change the name to the Gissler A #29 and re-enter the Gissler A #29 well bore by drilling out cement plugs (#3,4 &5) and drill to 5800'. We will set a 300' cement plug and wait on cement. We will tag top of cement plug then set approx. 5400' new 5 1/2" J55 casing and cement to surface. We will perforate and complete as a Loco Hills Paddock well as recommended by our service company. The producing well will produce to our existing Burnett Gissler A Battery in Section 11, T17S, R30E.

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE PETROLEUM ENGINEER DATE 8/16/2006

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE Acting FIELD MANAGER DATE 9/18/2006

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL FOR 1 YEAR

*See Instructions On Reverse Side

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name N. Cedar Lake <i>McGraw</i>	
⁴ Property Code		⁵ Property Name OAK LAKE "11" FEDERAL COM			⁶ Well Number 1
⁷ OGRID No. 7377		⁸ Operator Name EOG RESOURCES INC.			⁹ Elevation 3737

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	17-S	30-E		1070	SOUTH	860	EAST	EDDY

¹¹Bottom 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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>16</p> <p>EOG RESOURCES INC. OAK LAKE "11" FEDERAL COM No. 1 ELEV. = 3737' Y = 871181.1526 X = 821954.0871 LAT. = 32°50'40.41" LONG. = 103°56'10.48"</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Mike Francis</i> Signature</p> <p>Mike Francis Printed Name</p> <p>Agent Title</p> <p>3/22/00 Date</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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 best of my belief.</i></p> <p>MARCH 2000 Date of Survey</p> <p><i>James E. Tompkins</i> Signature and Seal of Professional Surveyor</p> <p>JAMES E. TOMPKINS REGISTERED PROFESSIONAL LAND SURVEYOR NEW MEXICO 14729</p> <p>James E. Tompkins Certificate Number</p> <p>14729</p>	

DRILLING PROGRAM

**EOG RESOURCES, INC.
OAK LAKE 11 FEDERAL COM NO. 1
1,070' FSL & 860' FEL
SEC. 11, T17S, R30E
EDDY COUNTY, NM**

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Queen	2500'
San Andres	3300'
Abo	6,500'
Wolfcamp	8000'
Lower Strawn	9875'
Atoka	10175'
Morrow Clastics	10600'
Chester	11000'

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	Above 250'	Fresh Water
Grayburg/San Andres	3000'	Oil
Strawn	10200'	Oil
Atoka	10525'	Gas
Morrow	10925'	Gas

4. CASING PROGRAM

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Weight Grade Jt. Cond. Type</u>
WITNESS 11"	0-650'	11 3/4"	42# H-40 ST&C
11"	0-3500'	8 5/8"	32# J-55 LT&C
7 7/8"	0-11000'	5 1/2"	17# S95/P110 L&TC

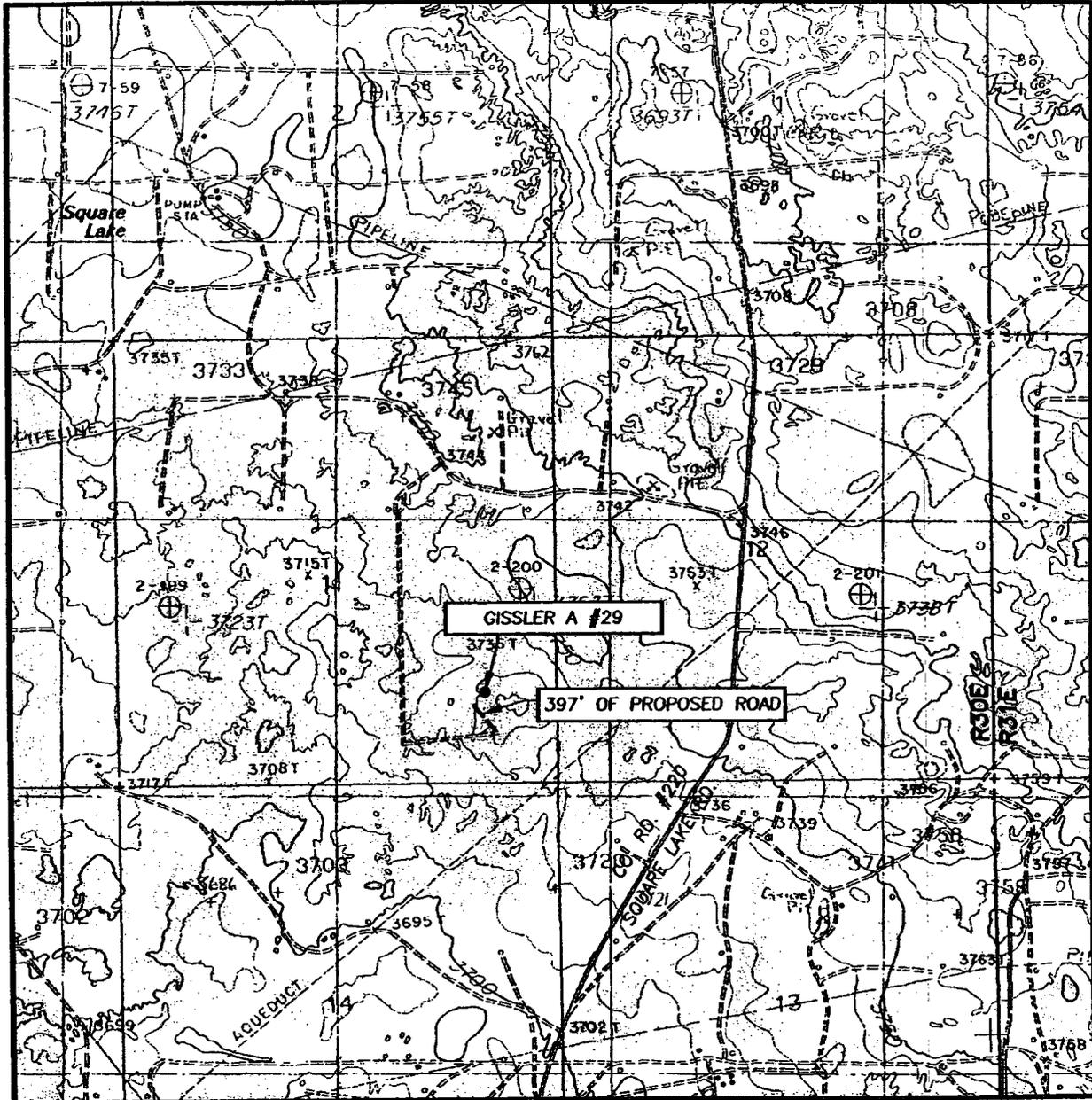
~~WITNESS~~ Cementing Program:

11 3/4" Surface Casing: Cement to surface with 200 sx Prem Plus, 3% Econolite, 25 Calcium Chloride, 0.25#/sx Flocele, 150 sx Prem Plus, 2% Calcium Chloride

8 5/8" Intermediate: Cement to surface with 800 sx Interfill C, .25#/sx flocele, 250 sx Premium Plus, 2% Calcium Chloride

5 1/2" Production: Cement w/930 sx Premium, 3% Econolite, 5#/sx Salt (3%), 0.2% HR5, .25#/sk Flocele, 250 sx Prem 50/50 Poz mix 'A', 2% Halliburton-Gel First 2%, 0.5% Halad-322. This is designed to bring TOC to 4500'.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOCO HILLS, N.M. - 10'

SEC. 11 TWP. 17-S RGE. 30-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 1069' FSL & 860' FEL

ELEVATION 3743'

OPERATOR BURNETT OIL COMPANY

LEASE GISSLER A

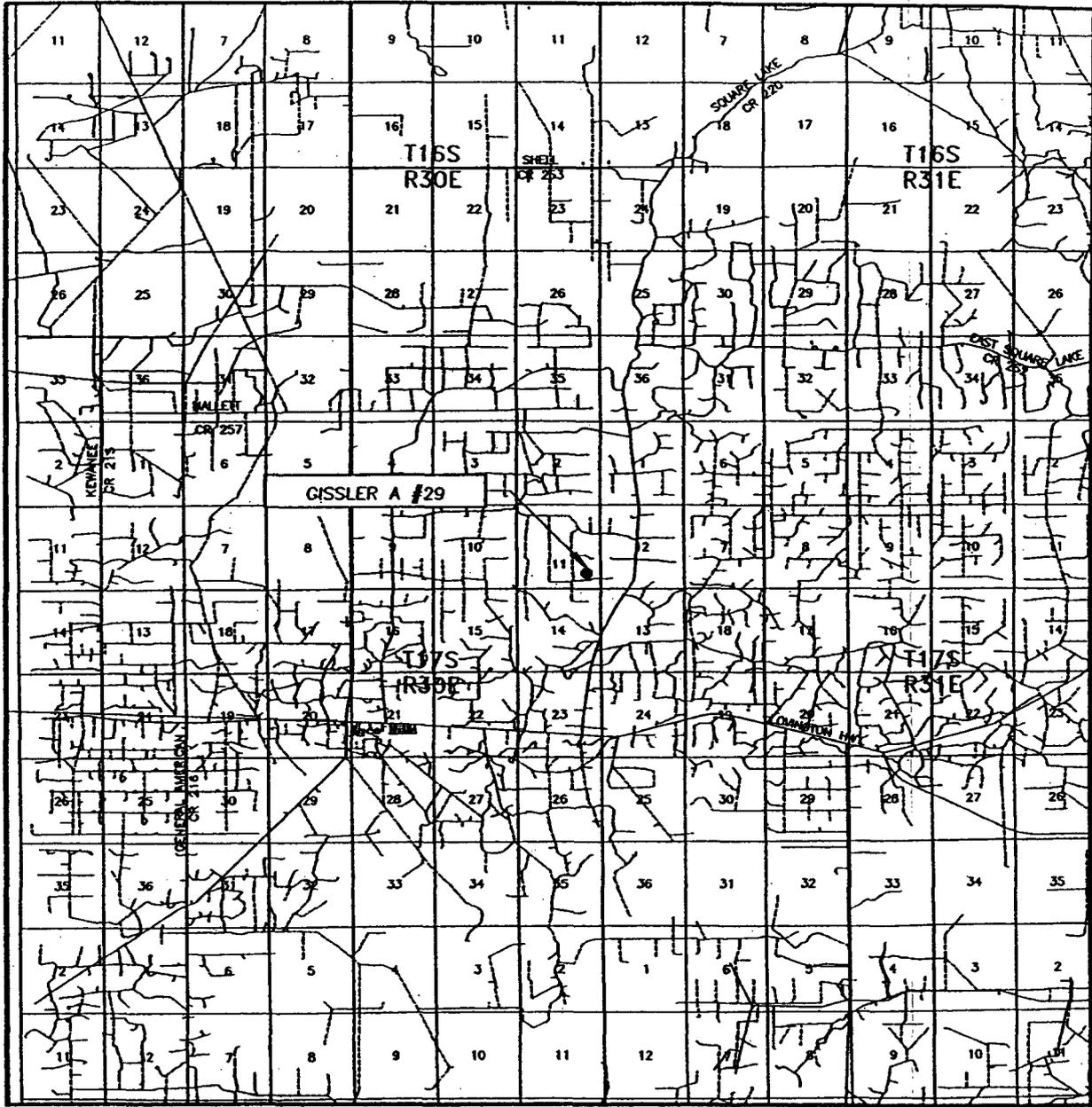
U.S.G.S. TOPOGRAPHIC MAP
LOCO HILLS, N.M.



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

GISSLER A #29
EXHIBIT "B"

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 11 TWP. 17-S RGE. 30-E

SURVEY N.M.P.M.

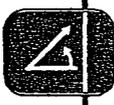
COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 1009' FSL & 860' FEL

ELEVATION 3743'

OPERATOR BURNETT OIL COMPANY

LEASE GISSLER A



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

GISSLER A #29
EXHIBIT "C"

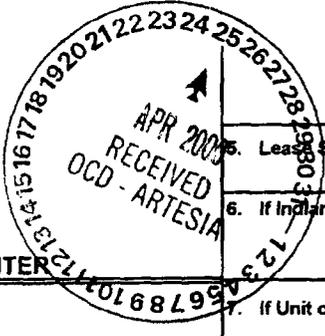
N. M. ON...

C/9F

Form 3160-3
(August 1999)

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANGEMENT



APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC029338-A (drillsite)	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG Resources, Inc. 7377		7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. Box 2267, Midland, TX 79702		8. Lease Name and Well No. 25731 Oak Lake "11" Federal Com No. 1	
3b. Phone No. (include area code) (915)686-3714		9. API Well No. 30-005-3111	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1,070' FSL & 860' FEL (Unit Letter P) At proposed prod. Zone Same as surface		10. Field and Pool, or Exploratory N. Cedar Lake Monnew	
14. Distance in miles and direction from nearest town or post office* Two miles northeast from Loco Hills		11. Sec., T., R., M., or Blk. And Survey or Area Sec. 11, T17S, R30E	
15. Distance from proposed* location to nearest property or lease line, ft. 860' (Also to nearest drig. Unit line, if any) 860'		12. County or Parish Eddy	
16. No. of Acres in lease LC-029338-A - 40 ac NM2746 - 40 ac NM74939 - 240 ac		13. State NM	
17. Spacing Unit dedicated to this well S/2 320 ac		18. Distance from proposed location* to nearest well, drilling, completed applied for, on this lease, ft.	
19. Proposed Depth 11,200'		20. BLM/BIA Bond No. on file MT-0748	
21. Elevations (Show whether DF, KDB, RT, GL, etc) GL-3737		22. Approximate date work will start* 5/2/2000	
		23. Estimated duration 30 days	

24. Attachments

The following completed in accordance with the requirements of Onshore Oil an Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest Sytem Lands, the SUPO shall be filed with the appropriate Forest Service Office)
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Mike Francis</i>	Name (Printed/Typed) Mike Francis	Date 3/22/2000
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Title Agent	Name (Printed/Typed)	Date
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Approved by (Signature)	Name (Printed/Typed)	Date APR 24 2000
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Title Assistant Field Manager, Lands And Minerals	Office ARTESIA FIELD OFFICE	Date
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Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 6, 2006

Mr. Mark A. Jacoby
Petroleum Engineer
Burnett Oil Co., Inc.
Burnett Plaza - Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102-6881

**Re: Administrative Application No. pDRC06-29055215
Gissler A Well No. 29
P-11-17S-30E
Eddy County**

Dear Mr. Jacoby:

The referenced application does not contain sufficient information for us to determine if all necessary notices have been given.

The application letter from Mr. James H. Arline of your office states, "All of the interest ownership for this entire lease is exactly the same." However, the application does not disclose the boundaries of the lease.

Please specifically confirm, if such is the case, that the lease, the ownership of which is common, includes all of the NE/4 SE/4 of Section 11, Township 17S, Range 30E, as well as all of the SE/4 SE/4 of that section.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,
david.brooks@state.nm.us
Assistant General Counsel



2006 NOV 17 PM 12 45

November 14, 2006

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Attn: Mr. David K. Brooks

Re: Gissler A #29 NSL
Unit P, 1070' FSL, 860' FEL
SEC.11, T17S, R30E- Eddy County, New Mexico

Dear Mr. Brooks:

With reference to your letter dated November 6, 2006 about the reference well, Burnett Oil Co., Inc. does operate the NE/4 SE/4 (NM- 2748) and the SE/4 SE/4 of Sec.11, T17S, R30E and the same ownership is common to all. We are the operator of record for all wells on all sides of this location.

Please contact the undersigned if you should need any more information or have any question.

Yours truly,

James H. Arline
Materials Coordinator