NSL

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [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]	[A] L	LICATION - Check Those Which Apply for [A] cocation - Spacing Unit - Directional Drilling NSL DNSP DDD DSD MAY - 1 1997
	[B] C	ne Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
		njection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
[2]		N REQUIRED TO: - Check Those Which Apply, or Does Not Apply 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] C	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F] C	Waivers are Attached
เรา	INFORMATIO	N / DATA SURMITTED IS COMPLETE Statement of Understanding

PATA SUBMITTED IS COMPLETE - Statement of Understanding [3]

I hereby certify that I, or personnel under my supervision, have read and complied with all 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 further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

	Note: Statement must be completed by an individual v	vith supervisory capacity.
BURNETT OIL CO., INC.		
JOHN M. MASON	Hull Meso	PRESIDEN

Signature

ENT

Title

Print or Type Name



April 29, 1997

NEW MEXICO OIL CONSERVATION DIVISION ATTN: Mike Stogner or David Catanach 2040 S. Pacheco Santa Fe, New Mexico 87505

Re: Unorthodox location of Stevens A #7
Unit N 25'FSL, 1345'FWL,
Sec 13, T17S, R30E
Eddy County, New Mexico

Gentlemen:

Burnett Oil Co., Inc. request an exception without notice and hearing to Rule 104 for the Stevens A #7 recompletion in the Grayburg formation. This well was drilled in May 1976 and completed in October 1976 as the Grayburg Jackson San Andres Unit #43 as a legal location without regard to the original lease lines. The cost of plugging this well bore and drilling a new well would not be an economic probability. Our intention is to lay a flowline to the existing tank battery @ the Stevens A #6 well to handle the production. The attached plat shows that we are the operator of record for all adjacent lease. No archaeological survey was done for this area since it is an existing well site pad. We are requesting an archaeological review for a portion of the flowline since it will traverse an undisturbed area. A copy of the submitted BLM 3160-5 is also attached for your reference.

Please advise if any further information is needed.

Yours truly,

James H. Arline

Material Coordination

xc: NMOCD-Artesia

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

LC 030570A 6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORT ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT-" for such proposals

7. If Unit or CA,, Agreement Designation

SUBMIT IN TRIPLICATE	8910088670	
1. Type of Well		
[X] Oil Well [] Gas Well [] Other 2. Name of Operator	8. Well Name and No. GJSAU #43 TO STEVENS A #7	
Burnett Oil Co., Inc.		9. API Well No. 30-015-21830
 Address and Telephone No. 801 Cherry Street, Suite 1500, Fort Worth, TX 76102 	817/332-5108	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description	Grayburg-Jackson	
Unit N, 25' FSL, 1345' FWL, Sec. 13, T17S, R30E	11. County or Parish, State Eddy County, New Mexico	

12.	CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA				
	TYPE OF SUBMISSION	TYPE OF ACTION			
	[X] Notice of Intent	[] Abandonment	[] Change of Plans		
		[X] Recompletion NON-UNIT ZONE	[] New Construction		
		[X] Plugging Back	[] Non-Routine Fracturing		
	[] Subsequent Report	[X] Casing Repair IF NECESSARY	[] Water Shut-Off		
		[] Altering Casing	[] Conversion to Injection		
		[X] Other CHANGE WELL NAME TO STE	VENS [] Dispose Water		
	[] Final Abandonment Notice		(Note: Report results of multiple completion on Well		
			Completion or Recompletion Report and Log form)		

This Unit oil well is no longer economic to produce. We now propose to P& A the unit formation and recomplete this well bore as a non-unit Grayburg oil well.

Our procedure will be to dig a 40' X 40' working pit. Any accumulation in this pit will be disposed of in an approved disposal method and the pit will be back filled and leveled upon completion of this work. We will run a bit and casing scraper to 3476'(PBTD) and test the 5 9/16" production pipe, then set CIBP @ 3350' approx. and dump 35' of cement on top of the BP. We plan to perforate 2739' 2739' to 2951' and stimulate these open perforations as recommended by stimulation companies. We will run 2 3/8" tubing and sucker rods and test this well.

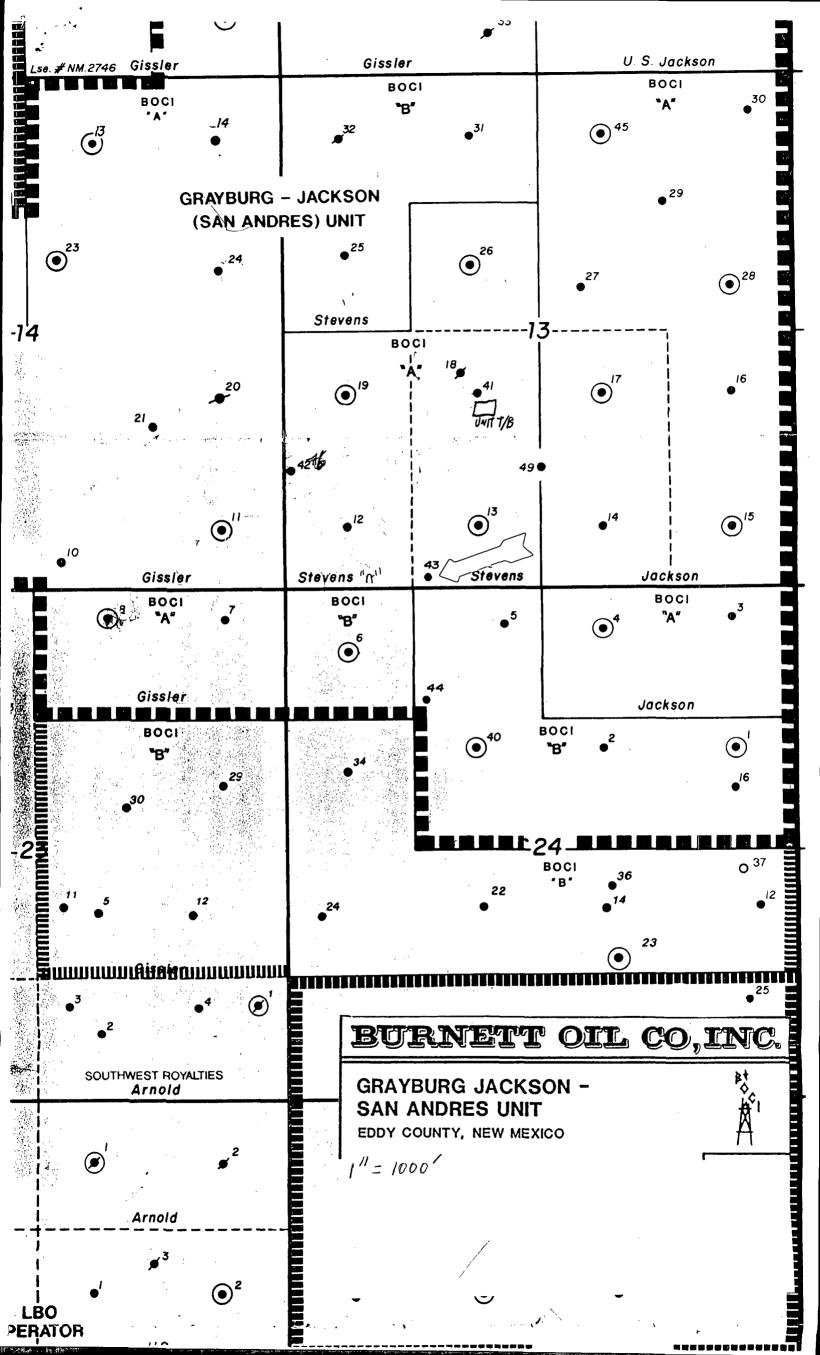
If this recompletion is successful we request approval to change the name of this well to the Stevens A #7 as a non-standard location completed in the Grayburg interval. We do attest that Burnett Oil Co., is the operator of all contiguous leases in the area. Administrative approval for this non-standard location has been requested from NMOCD.

Our future plan is to request permission to lay a flow line for this production to the existing Stevens A tank battery located @ Unit M, 1295' FSL, 25' FWL, Sec 13, T17S, R30E.

14. I hereby certify that the foregoing is true Signed August //	7	Date (Maril 29/1997
(This space for Federal or State office Use		
Approved by	Title	Date
Conditions of approval, if any:		

Title 18 U.S.C. Section 1001, makes 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.

^{13.} Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*



BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5663 Order No. R-5206

APPLICATION OF ANNE BURNETT TANDY dba WINDFOHR OIL COMPANY FOR 12 UNORTHODOX OIL WELL LOCATIONS AND AN ADMINISTRATIVE PROCEDURE, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 14, 1976, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 27th day of April, 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Anne Burnett Tandy dba Windfohr Oil Company, seeks approval of 12 unorthodox oil well locations to be drilled to the San Andres formation at the following locations in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico, as follows:

Section 13:

2615 feet from the South line and 1345 feet from the East line.

2415 feet from the South line and 2415 feet from the West line.

2615 feet from the North line and 1295 feet from the West line.

1295 feet from the South line and 1295 feet from the East line.

1295 feet from the South line and 2615 feet from the East line.

1295 feet from the South line and 1345 feet from the West line.

1295 feet from the South line and 25 feet from the West line.

200 feet from the South line and 1345 feet from the East line.

25 feet from the South line and 1345 feet from the West line.

Section 14:

2500 feet from the North line and 25 feet from the East line.

Section 24:

25 feet from the North line and 25 feet from the West line.

1120 feet from the North line and 1345 feet from the West line.

- (3) That applicant further seeks the establishment of an administrative procedure whereby the above wells could be relocated and other similar unorthodox locations approved without notice and hearing.
- (4) That wells at said unorthodox locations will better enable applicant to produce the oil underlying the Grayburg-Jackson Unit Area.
- (5) That no offset operator objected to the proposed unorthodox locations.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That 12 unorthodox oil well locations for the San Andres formation are hereby approved for wells to be located in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico, as follows:

Section 13:

2615 feet from the South line and 1345 feet from the East line.

2415 feet from the South line and 2415 feet from the West line.

2615 feet from the North line and 1295 feet from the West line.

1295 feet from the South line and 1295 feet from the East line.

1295 feet from the South line and 2615 feet from the East line.

1295 feet from the South line and 1345 feet from the West line.

1295 feet from the South line and 25 feet from the West line.

200 feet from the South line and 1345 feet from the East line.

25 feet from the South line and 1345 feet from the West line.

Section 14:

2500 feet from the North line and 25 feet from the East line.

Section 24:

25 feet from the North line and 25 feet from the West line.

1120 feet from the North line and 1345 feet from the West line.

- authorized to amend the locations of the hereinabove authorized wells and to approve additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the Grayburg-Jackson Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said Grayburg-Jackson Unit nor closer than 10 feet to any quarter-quarter section of subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:
 - (A) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.

(B) A schematic drawing of any proposed injection well which fully describes the casing, tubing, packer, leak detection equipment, perforated interval, and depth.

The Secretary-Director may grant immediate approval of the proposed well, if in his opinion, the well is necessary to complete an efficient injection and production pattern for the project.

PROVIDED HOWEVER, if the application is for a well closer than 330 feet to the outer boundary of the Grayburg-Jackson Unit, a copy of the application shall be sent to the operator of any proration unit outside of the Grayburg-Jackson Unit which offsets, directly or diagonally, the proration unit upon which such unorthodox location is proposed. The Secretary-Director shall wait 20 days before approving such unorthodox location, and shall do so only in the absence of objection from the offset operator(s). The 20-day waiting period may be dispensed with upon receipt of waiver of objection from the aforesaid operator(s)

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

OÉ D. RAMEY, Member & Secretary

SEAL