6666

30-015-39584

July 22, 2011

New Mexico Oil Conservation Division 1301 Grand Avenue Artesia, New Mexico 88210

Attn: Randy Dade

Re: H2S Rule 118 Contingency Plan. Federal Lease NMNM2748

Jackson A 39, Unit O, 110' FSL, 1650' FEL Sec. 12, 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 Mr. Mark Jacoby or the undersigned if you require additional information.

Sincerely,

Mary Carter Starkey Regulatory Coordinator

BURNETT OIL CO., INC. EMERGENCY NOTIFICATION LIST

Belton Mathews BOCI District Super BURNETT OIL HOME OFFICE (817) 33		CELL	(575) 703-9601
Mark Jacoby BOCI ENGINEERING MA	ANAGER	CELL	(817) 312- 2751
EDDY COUNTY SHERIFF 911 NEW MEXICO STATE POLICE	OR (575) 74 (575) 74		
Loco Hills Fire Department (VOLUNTEE For Medical and Fire			575) 677 2349 01 (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 (Washingt	ton, 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

Burnett's New Mexico Office

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.).

(575) 677-2313

DRILLING EXHIBIT A

Jackson 7 37

HYDROGEN SULFIDE (H2S) CONTIGENCY PLAN

ASSUMED 100 PPM ROE = 3000'

OCT 2 5 2011

Emergency Procedures

In the event of a release of gas containing H2S, The first responder(s) must

RECEIVED * 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. Additional 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	H2S	1.189 Air =1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO2	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

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

Jausen A 39

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:

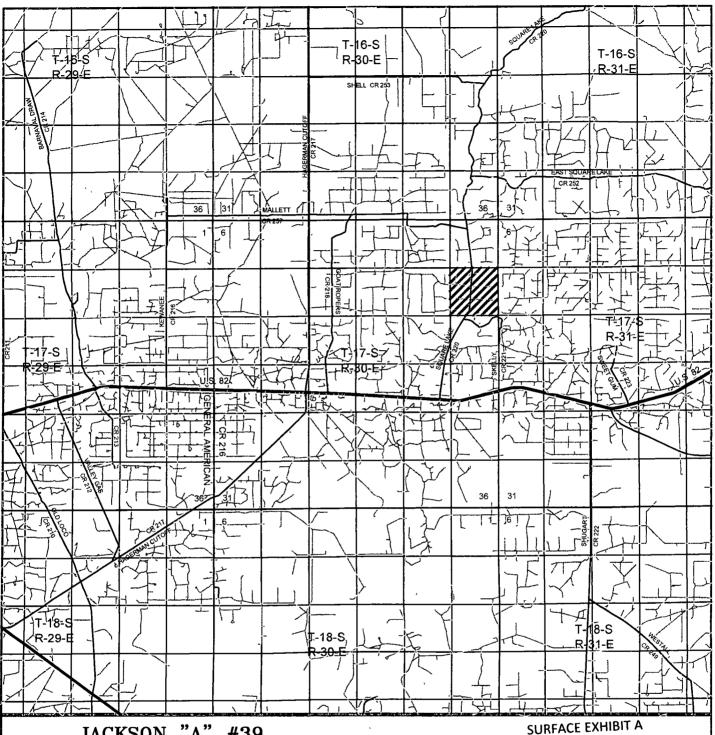
Burnett Oil Co , Inc field representative responsible for compliance with the approved surface use and operations plan is

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 1/2/ 11

Engineering Manager



JACKSON "A" #39

Located 210' FSL and 1650' FEL

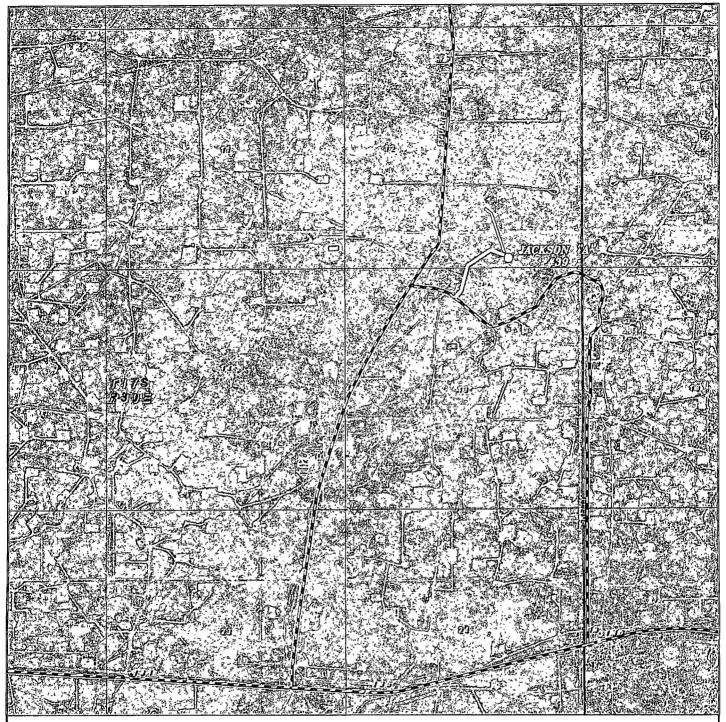
Section 12, Township 17 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.



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

W.O. Number:	JMS 24296
Survey Date:	03-23-2011
Scale: 1" = :	2 Miles
Date: 03-28	3-2011

BURNETT OIL COMPANY, INC.



JACKSON "A" #39

Located 210' FSL and 1650' FEL

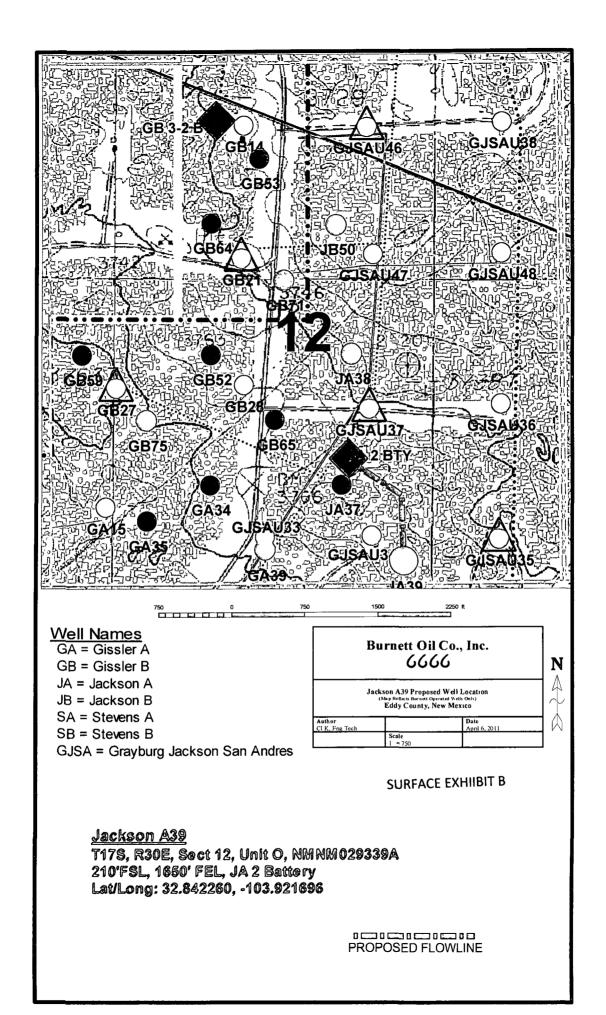
Section 12, Township 17 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

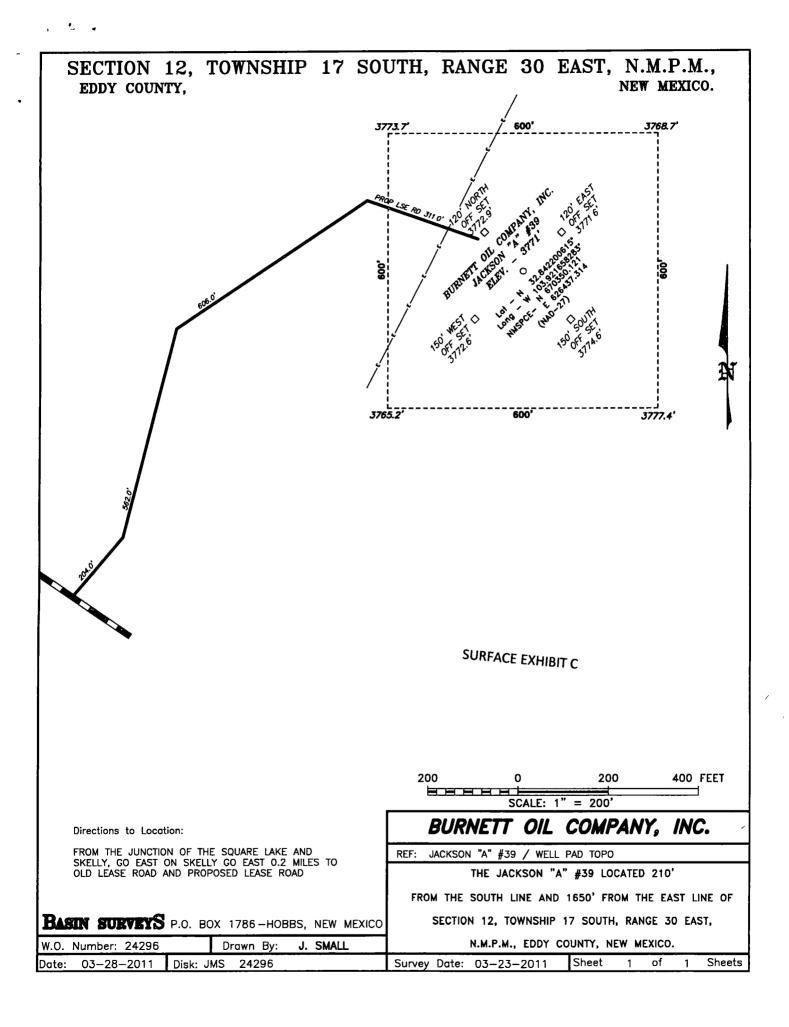


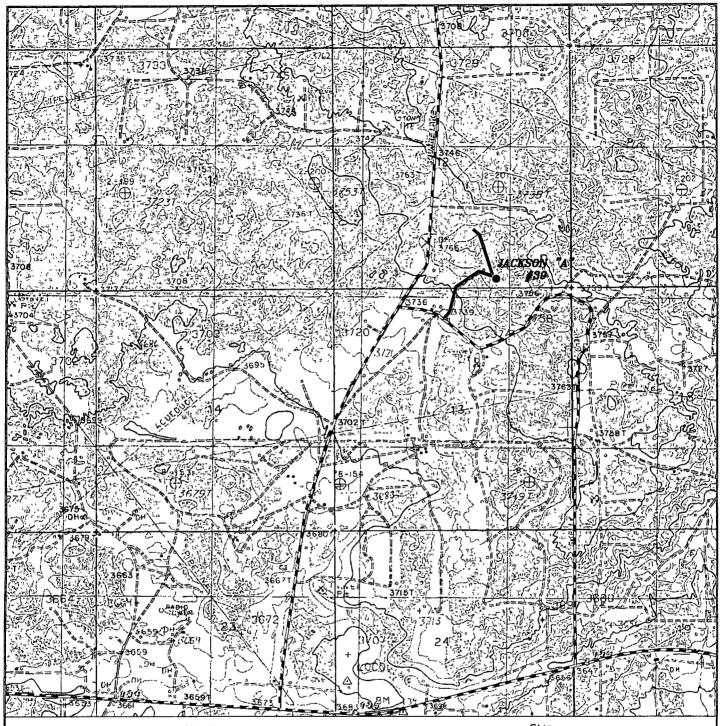
P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com W.O. Number: JMS 24296

Scale: 1" = 2000'

YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND BURNETT OIL COMPANY, INC.







JACKSON "A" #39

Located 210' FSL and 1650' FEL

Section 12, Township 17 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

Date: 03-28-2011



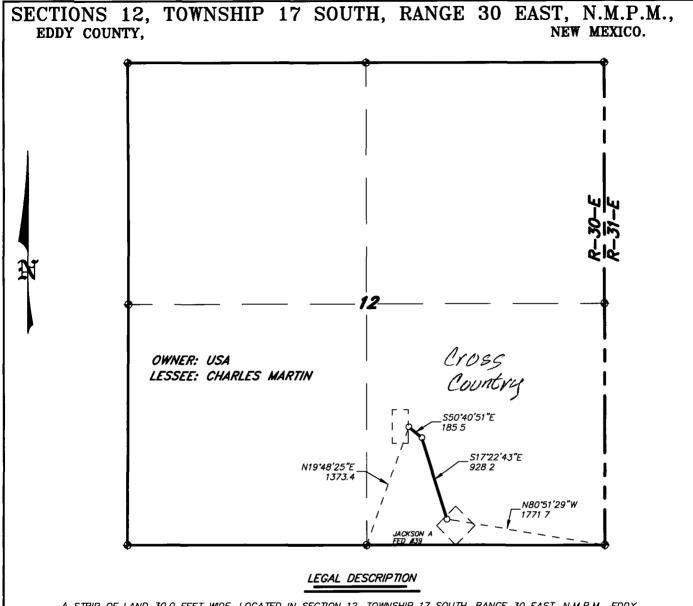
P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

W.O. Number: JMS 24296

Survey Date: 03-23-2011

Scale: 1" = 2000'

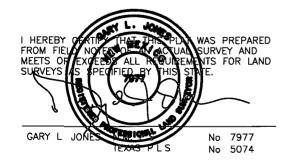
BURNETT OIL COMPANY, INC.



A STRIP OF LAND 30 O FEET WIDE, LOCATED IN SECTION 12, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 12 = 1113 7 FEET = 67.50 RODS = 0 21 MILES = 0 77 ACRES

SURFACE EXHIBIT C2



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

W.O. Number. 24296 Drawn By. **J. M. SMALL**Date. 03–28–2011 Disk: JMS 24296

1000 0 1000 2000 FEET

BURNETT OIL COMPANY, INC.

REF: PROPOSED FLOWLINE TO THE JACKSON "A" #39

A FLOWLINE CROSSING USA LAND IN
SECTION 12, TOWNSHIP 17 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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