

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-104  
Revised October 15, 2009

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator name and Address BURNETT OIL CO., INC. 801 Cherry St Ste 1500 Fort Worth, Texas 76102		<sup>2</sup> OGRID Number 03080
		<sup>3</sup> Reason for Filing Code/ Effective Date NEW WELL 09/19/2010
<sup>4</sup> API Number 30 - 015-37977-00 X1	<sup>5</sup> Pool Name Loco Hills Glorieta Yeso	<sup>6</sup> Pool Code 96718
<sup>7</sup> Property Code 2388	<sup>8</sup> Property Name Gissler A	<sup>9</sup> Well Number 36

II. <sup>10</sup> Surface Location

Ul or lot no A.	Section 14	Township 17S	Range 30E	Lot Idn	Feet from the 503'	North/South Line NORTH	Feet from the 977'	East/West line EAST	County EDDY
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------

<sup>11</sup> Bottom Hole Location-SAME AS SURFACE

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code	<sup>14</sup> Gas Connection Date	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

III. Oil and Gas Transporters

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> O/G/W
015694	Navajo Refining Co P.O. Box 159 Artesia, NM 88221-0159	0648510 O
036785	DCP Midstream 5718 Westheimer, Ste. 200 Houston, Texas 77057	064530 G
		0644550 W

RECEIVED  
OCT 12 2010  
NMOCD ARTESIA

IV. Well Completion Data

<sup>21</sup> Spud Date 08/04/2010	<sup>22</sup> Ready Date 10/02/2010	<sup>23</sup> TD 5984	<sup>24</sup> PBSD 5936	<sup>25</sup> Perforations 5434-5875	<sup>26</sup> DHC, MC
<sup>27</sup> Hole Size 14-3/4	<sup>28</sup> Casing & Tubing Size 10-1/4	<sup>29</sup> Depth Set 414	<sup>30</sup> Sacks Cement 705		
8-3/4	7	5990	1700		
	2 7/8	5404			

V. Well Test Data

<sup>31</sup> Date New Oil 10/02/2010	<sup>32</sup> Gas Delivery Date 10/02/2010	<sup>33</sup> Test Date 10/04/2010	<sup>34</sup> Test Length 24	<sup>35</sup> Tbg. Pressure	<sup>36</sup> Csg. Pressure
<sup>37</sup> Choke Size	<sup>38</sup> Oil 133	<sup>39</sup> Water 1108	<sup>40</sup> Gas 24		<sup>41</sup> Test Method Pumping

<sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Mary Carter Starkey*

Printed name:  
Mary Carter Starkey

Title:  
Regulatory Coordinator

E-mail Address:  
mcstarkey@burnettoil.com

OIL CONSERVATION DIVISION

Approved by: *R. Dado*

Title: *Dist. H. S. P. W. S. C.*

Approval Date: NOV 19 2010

10/8/10  
817-332-5108

K2



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jim Noel**  
Cabinet Secretary

**Karen W. Garcia**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



November 19, 2010

Burnett Oil Company, Inc.  
C/O Mary Starkey  
801 Cherry St., Suite 1500  
Fort Worth, TX 76102

Email: [mcstarkey@burnettoil.com](mailto:mcstarkey@burnettoil.com)

**Rebuttal of presumption of inactivity as to one well**  
**Effective through December 16, 2010**

Re: Burnett Oil Company, Inc. (OGRID 3080)  
Well: Gissler B #7, 30-015-04120

Dear Operator:

Subsection (F)(2) of Oil Conservation Division (OCD) Rule 19.15.5.9 NMAC provides that the listing of a well on the OCD's inactive well list as a well inactive for more than one year plus 90 days creates a "rebuttable presumption" that the well is out of compliance with OCD Rule 19.15.25.8 NMAC (the inactive well rule).

An operator may rebut that presumption by providing evidence that the well is in compliance with OCD Rule 19.15.25.8 NMAC.

The well identified above currently appears on the OCD's inactive well list as a well operated by Burnett Oil Company, Inc. (Burnett) that has been inactive for more than one year plus 90 days. However, Burnett has indicated that the well was returned to injection in October 2010.

Burnett has satisfactorily rebutted the presumption created by OCD Rule 19.15.5.9.F.2 that the well identified above is in violation of OCD Rule 19.15.25.8 NMAC because the well has been "active" as defined by OCD rules within the past year plus 90 days.

Although the above-named well appears on Burnett's inactive well list, the OCD should not consider the well as out of compliance with OCD Rule 19.15.5.9.A.4.d NMAC or include it in calculating Burnett's compliance with OCD Rule 19.15.5.9 NMAC.

---

Oil Conservation Division \* 1220 South St. Francis Drive  
\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>



November 19, 2010

Page 2

The presumption that the Gissler B #7 is not inactive will remain until the date when Burnett is required to file C-115 reports for the well. Division Rule 19.15.7.24 requires operators to file C-115 reports on or before the 15th day of the second month following the month of injection, or if such day falls on a weekend or holiday, the first workday following the 15th. Since the Gissler B #7 was apparently returned to injection in October 2010, the C-115 reports for the Gissler B #7 must be filed by Wednesday December 15, 2010. If Burnett fails to file the C-115 reports for the Gissler B #7 by December 15, the presumption that the well is inactive will return.

**On December 16, 2010 if the well identified above appears on the inactive well list the presumption that the well is inactive will return.**

As stated above, the OCD should not consider the Gissler B #7 as out of compliance with OCD Rule 19.15.5.9.A.4.d NMAC or include it in calculating Burnett's compliance with OCD Rule 19.15.5.9 NMAC. However, until Burnett files a C-115 report for the Gissler B #7, the well will remain on the inactive well list.

**Burnett should attach a copy of this letter to any applications for a drilling permit, requests for allowable and authorization to transport, change of operator, or injection permits that Burnett might file with the OCD.**

Sincerely,

/s/

Daniel Sanchez  
Compliance and Enforcement Manager

Ec: Larry Hill, District I  
Randy Dade, District II  
Charlie Perrin, District III  
Sonny Swazo, OCD General Counsel