

6666

RECEIVED

AUG 21 1997

OIL CON. DIV.
P.O. BOX 2

August 18, 1997

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

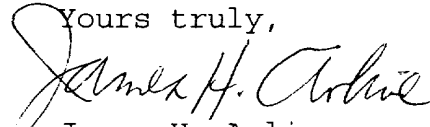
Re: Unorthodox location of Jackson A #16
Unit O, 1245'FNL, 2570'FEL,
Sec 13, T17S, R30E
Eddy County, New Mexico

Gentlemen:

Burnett Oil Co., Inc. request an exception without notice and hearing to Rule 104 for the Jackson A #16 recompletion in the Grayburg formation. This well was drilled in July 1992 and completed in September 1992 as the Grayburg Jackson San Andres Unit #49 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 Jackson A tank battery @ Unit B, Sec 24, T17S, R30E to handle the production. The attached plat shows that we are the operator of record for all adjacent leases. No archaeological survey was done for this area since it is an existing well site pad. We are requesting an archaeological survey for the flowline since it will traverse an undisturbed area. A copy of the submitted BLM 3160-3 is also attached for your reference.

Please advise if you should need any further information.

Yours truly,



James H. Arline
Materials Coordinator

xc:NMOCD-Artesia ✓

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] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ 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

RECEIVED

AUG 21 1997

OIL CON. DIV.
 DIST. 2

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners ☐ DOES NOT APPLY

[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 COPY OF 3160-3 ATTACHED.
 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 - Statement of Understanding

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 with supervisory capacity.

STERLING RANDOLPH
 Print or Type Name

Sterling Randolph
 Signature

PETROLEUM ENGINEER
 Title

August 18, 1997
 Date

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 ☒			5. LEASE DESIGNATION AND SERIAL NO. LC 029339A
b. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME 7. UNIT AGREEMENT NAME GRAYBURG JACKSON SAN ANDRES UNIT #49
2. NAME OF OPERATOR BURNETT OIL CO., INC			8. FARM OR LEASE NAME JACKSON A
3. ADDRESS OF OPERATOR 801 CHERRY STREET, SUITE 1500, FORT WORTH, TEXAS 76102			9. WELL NO. 16 (30-015-26968)
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface UNIT 0 2570' FEL, 1245' FSL At proposed prod. zone SAME AS SURFACE.			10. FIELD AND POOL, OR WILDCAT GRAYBURG JACKSON
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5 MILES NE OF LOCO HILLS, NEW MEXICO			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 13, 17S, 30E
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)		16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH APPROX 3000'	20. ROTARY OR CABLE TOOLS
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3722' GR			22. APPROX. DATE WORK WILL START* 9/15/97

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24	482' IN PLACE	300 SKS
7 7/8"	5 1/2"	17	3541' IN PLACE	1375 SKS

PRESENT OPEN UNIT INTERVAL 3030'-3471', TD 3551, PBTD 3492'. DIG 40' X 40' WORKING PIT. ANY ACCUMULATION IN THE PIT WILL BE DISPOSED OF IN AN APPROVED DISPOSAL METHOD & PIT WILL BE BACKFILLED & LEVELED UPON COMPLETION OF THIS WORK. CLEAN OUT 5 1/2" CASING, SET CIBP @ APPROX 3020', DUMP 35' CEMENT ON TOP TO P&A UNITIZED ZONE. PERFORATE APPROX 2773'-2975' & STIMULATE. NEW COMPLETION WILL BE NAMED JACKSON A #16 AS A NON-STANDARD GRAYBURG LOCATION. WE DO ATTEST THAT BURNETT OIL CO., INC. IS OPERATOR OF RECORD OF ALL CONTIGUOUS LEASES IN THE AREA. WE HAVE FILED FOR ADMINISTRATIVE APPROVAL FROM THE NMOC.

ALL PRODUCTION WILL BE PIPED TO THE JACKSON A TANK BATTERY IN UNITB SEC 24, T17S, R30E. ALL PRODUCTION FROM THIS BATTERY IS ALLOCATED BASED ON PERIODIC INDIVIDUAL WELL TEST.

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 *Herling Landwehr* TITLE PETROLEUM ENGINEER DATE August 18, 1997
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plat, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

