NM OIL CONS COMMISSION
Drawer DD
Artesia, NM 88210

Form 3160-5
(June 1990)

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: NM 2747
6. If Indian, Allottee or Tribe Name:
7. If Unit or CA,, Agreement Designation:

[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.: Jackson B 36
2. Name of Operator: Burnett Oil Co., Inc.
9. API Well No.:
3. Address and Telephone No.: 801 Cherry Street, Suite 1500, Fort Worth, TX 76102 817/332-5108
10. Field and Pool, or Exploratory Area: Grayburg-Jackson
4. Location of Well (Footage, Sec., T., R., M., or Survey Description): Unit J, 1905' FEL, 2250' FSL, Sec. 24, 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	[X] Change of Plans
	[ ] Recompletion	[ ] New Construction
	[ ] Plugging Back	[ ] Non-Routine Fracturing
[ ] Subsequent Report	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[ ] Other	[ ] Dispose Water
[ ] Final Abandonment Notice		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

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.)*

Pursuant to the BLM special cementing stipulations becoming a part of the approved APD and our subsequent correspondence of April 18, 1994 and our telephone conversation of May 4, 1994, we hereby request approval of one of the cementing options summarized below based on the condition of the borehole when TD is reached:

(1) If, after drilling out from under the surface casing with brine gel, fresh water flows are encountered before reaching TD in such quantities as to economically preclude cementing the production casing with enough cement to reach back through the washed out salt section to at least tie back into the surface casing, enough cement will be placed around the production casing to reach at least 50' above the base of the salt section or

(2) If, after drilling out from under the surface casing with brine gel, no fresh water flows are encountered before reaching TD, enough cement will be placed around the production casing to tie back into the surface casing.

Signed John C. McPhaul Title Production Superintendent Date 5/5/94

(This space for Federal or State office Use)

Approved by Orig. Signed by Shannon J. Shaw Title Petroleum Engineer Date 5/31/94

Conditions of approval, if any:

6666

April 18, 1994

Bureau of Land Management
Attention: Shannon Shaw
P.O. Box 1778
Carlsbad, New Mexico 88220

Re: Pending Applications for Permits to Drill:
Jackson B # 36, Gissler B # 30
Eddy County, New Mexico

Dear Shannon:

After submitting the referenced APDs to the BLM on February 11, 1994, I was out of the office due to illness from that time until last week. Apparently, approval of the APDs has been held up pending receipt of the archaeological clearance reports, which you should have now, according to word just received. During my absence I believe you spoke with our Jim Arline regarding the height of the cement behind the production casing needing to be up in the surface pipe. I was not aware of such a requirement; rather, as stipulated, we have been bringing the production string cement column to at least 600' above the highest potential pay section, which would be approximately at the base of the salt section at around 1250'. Previous to this requirement, we had been bringing the cement up into the salt section at least 50', which amounts to about the same thing. If the requirement now is to bring cement back into the surface pipe, which has always been set above the salt section at about 500' to protect any fresh water (none), a severe economic penalty would be placed on us if, as expected, waterflows are uncovered at the +/- 2600' depth which normally are fresh enough to dissolve several thousand cubic feet of salt from the uncemented portion of the hole, resulting in a tremendous amount of cement being required to reach the surface pipe. The capacity of the open hole through the salt section will be directly proportional to the elapsed time necessary to drill the remainder of the hole below the waterflow and the rate and salinity of the flow. We have no way of estimating the amount of cement which would be required to fill this void. We have always successfully confined the high pressure waterflows to their point of origin in the hole by additional and usually costly

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BURNETT OIL CO., INC.

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