

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCD ARTESIA

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
BUREAU OF LAND MANAGEMENT
1004-0135
Expires July 31, 1996

CISF

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
BURNETT OIL CO., INC

3a. Address BURNETT PLAZA- SUITE 1500
801 CHERRY STREET UNIT#9 FORT WORTH, TX 76102-6881 817/332-5108

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UNIT L, 1650' FSL, 990' FWL, SEC 14, T17S, R30E

5. Lease Serial No.
NM074939

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
GISSLER B #31

9. API Well No.
30-015-32200

10. Field and Pool, or Exploratory Area
CEDAR LAKE YESO

11. County or Parish, State
Eddy County, N.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>COMMINGLING</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>STORAGE</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PERMISSION TO OFF-LEASE COMMINGLING THIS YESO WELL INTO THE EXISTING GISSLER B3-3 TANK BATTERY @ (UNIT M SEC 11, T17S, R30E) FOR THE PRESENT TIME. THIS BATTERY IS ON ADJOINING LEASE(#NM2748 AND ALREADY HAS APPROVED COMMINGLING (ORDER CTB-323) FROM THIS LEASE IN A DIFFERENT ZONE. A SEPARATE FLOWLINE TO THE BATTERY WITH A METERING SEPARATOR HAS BEEN INSTALLED FOR NOW AND WE WILL USE A 1996 NATCO BUILT HUSKIE PORT-A-CHEK. THE PRESENT DAILY PRODUCTION IS 70 BO,97 MCFG 540 BW.

A COMMINGLING PERMIT HAS BEEN REQUESTED FROM NMOC.

A COPY OF THE PLAT AND PREVIOUS ORDER FOR THIS LEASE AND WAIVER ARE INCLUDED.

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

STERLING RANDOLPH

Title
PETROLEUM ENGINEER

Signature

Sterling Randolph

Date
5/26/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

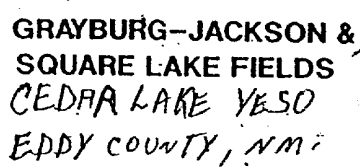
Approved by
(ORIG. SGD.) ALEXIS C. SWOBODA

Title
PETROLEUM ENGINEER Date MAY 10 2002

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

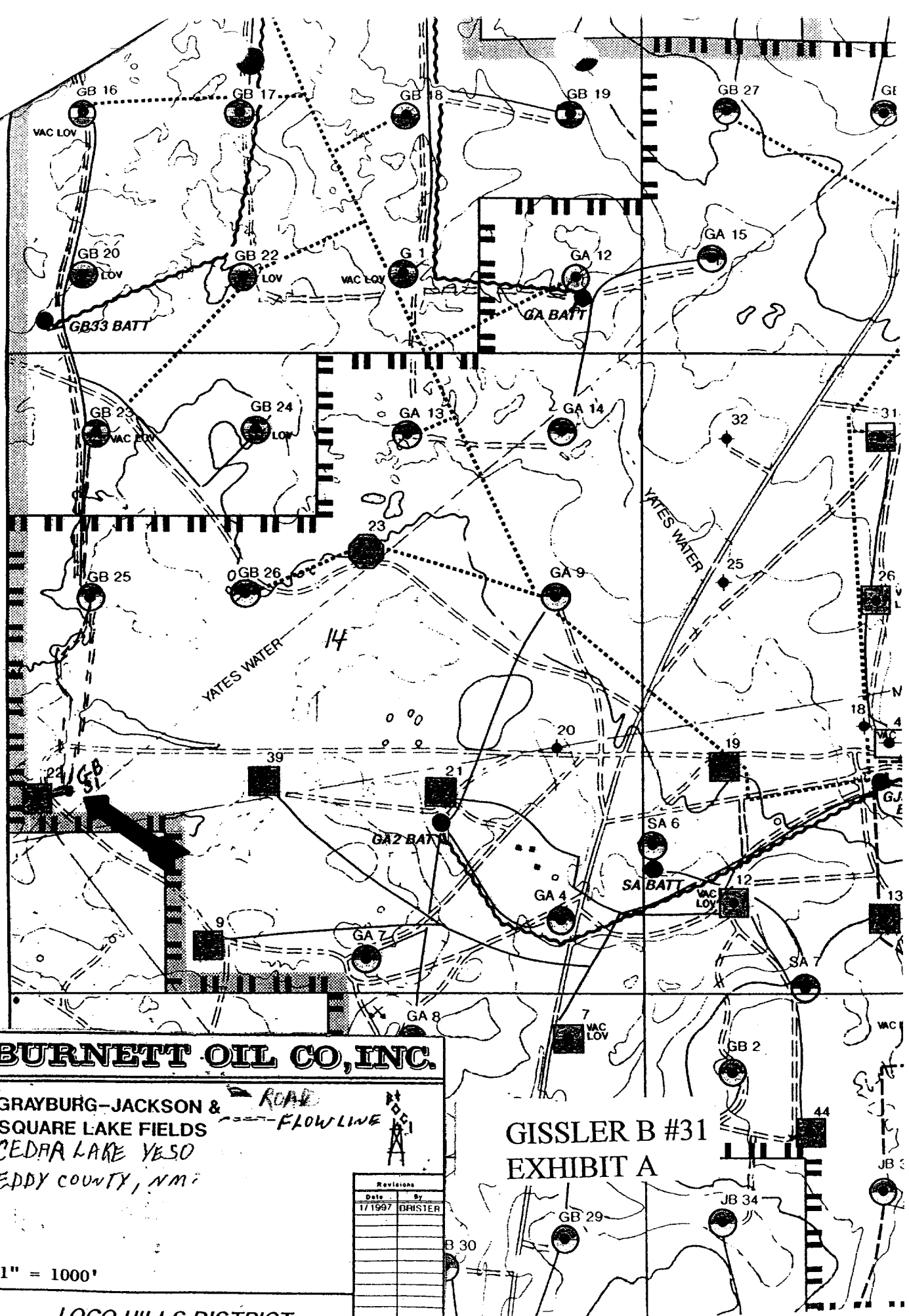
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



LOCO HILLS DISTRICT

[illegible]

GISSLER B #31
EXHIBIT A



COPY

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

COMMINGLING ORDER CTB-323

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Burnett Oil Company, Inc.
1500 InterFirst Tower
801 Cherry Street
Fort Worth, Texas 76102

Attention: John C. McPhaul

The above-named company is hereby authorized to commingle Square Lake Grayburg San Andres pool production from the following leases:

Lease Name: Gissler "B" (NM 2748)
Description: W/2, W/2 NE/4, N/2 SE/4 of Sec. 11,
T-17-S, R-30-E, NMPM, Eddy County, N.M.

Lease Name: Gissler "B" (LC 074939) *Gissler #25*
Description: SW/4 NW/4 of Sec. 14,
T-17-S, R-30-E, NMPM, Eddy County, N.M.

Production shall be allocated to each lease by well tests. (If this method or the subtraction method above is to be authorized, all commingled production must be of identical ownership: working interest, royalty interest, and overriding royalty interest.).

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 4th day of March, 1987.

William J. Lema
WILLIAM J. LEMAY, Director

WJL/DRC/dr



EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(915) 686-3600

April 23, 2002

Burnett Oil Company, Inc.
801 Cherry Street, Unit #9
Burnett Plaza, Suite 1500
Fort Worth, Texas 76102-6881

Re: Gissler B #31
Section 14, T17S, R30E
Eddy County, New Mexico
API# 30-015-32200
Federal Lease LC 074939

Gentlemen:

Enclosed please find an executed copy of your Waiver of Objection to Surface Commingle letter dated April 17, 2002 whereby EOG agrees to commingle.

If you have any questions or need further information, please advise.

Sincerely,

EOG RESOURCES, INC.

A handwritten signature in black ink, appearing to read "Patrick J. Tower", written over the printed name.

Patrick J. Tower
Project Landman

Enclosure

CCCC

April 17, 2002

EOG Resources, Inc.
P.O. Box 2267
Midland, Texas 79702-2267
Attn: Mr. Patrick Tower

Re: Gissler B #31 API #30-015-32200 Federal lease #LC074939
Unit L, 1650' FSL, 990' FWL SEC 14, T17S, R30E Eddy County, N.M.

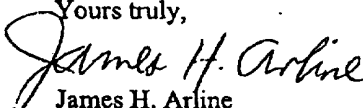
Dear Mr. Tower:

Your company has .022406 oil and .0510086 gas ORRI from Burnett Oil's interest only in the referenced well. All other Working, Royalty and Overriding interest in these zones is the same. We would like to use the existing Gissler B 3-3 lease tank battery as the most efficient and economic use of equipment at the present time.

We request your approval to "Off Lease Surface Commingle" the Cedar Lake Yeso zone production from the referenced well with the present Grayburg production from the Gissler B #15,20,24, & #25 wells in the Gissler B 3-3 Tank Battery (State POD #0649410...30 & ...50.) All production in this battery is presently being allocated based on periodic individual well test. The test method is with a 1996 Natco built trailer mounted Huskie Jr. Port-A-Chek well tester.

Please sign one copy of this Waiver of Objection to Surface Commingle the Cedar Lake, Yeso with the Square Lake and Grayburg production in the existing Gissler B 3-3 Battery (Unit M, Sec 11, T17S, R30E, Eddy County, New Mexico) and return to us.

Yours truly,


James H. Arline
Materials Coordinator

Xc: New Mexico Oil Conservation Division
811 South First
Artesia, New Mexico 88210

EOG RESOURCES, INC.
✓ OK TO COMMINGLE

L. W. Helms, Jr.
Type or Print Name

 4-23-02
Signature and Date

BURNETT PLAZA - SUITE 1500
801 CHERRY STREET - UNIT #9

BURNETT OIL CO., INC.

FORT WORTH TX 76102-6881
(817) 332-5108

APR 17 '02 13:38

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