

| | | | | | |
|----------------------|----------|-----------------|------------------------|-------------|---------------------------|
| 9/29/2014 DATE IN | SUSPENSE | MAM ENGINEER | 9/29/2014 LOGGED IN | NSL TYPE | PMA 41427241723 APP NO |
|----------------------|----------|-----------------|------------------------|-------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
☒ NSL ☐ NSP ☐ 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

- [D] Other: Specify _____

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

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
[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
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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Leslie M. Garvis
Print or Type Name

Leslie Garvis
Signature

Regulatory Coordinator
Title

09/26/14
Date

lgarvis@burnettoil.com
e-mail Address

20 day hold

- NSL 7178
- Barnett Oil Company, Inc
03080

W 211
- Stevens A #20
30-015-42498

Pool
- Cedar Lake
Glorieta-yeso
96831



29 September 2014

Mr. Michael A. McMillan
Engineering and Geological Services Bureau
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Re: Stevens A #20 | Federal Lease #NMLC030570A | NSL Approval Request
Unit K, 2390' FSL, 2380' FWL
SEC. 13, T17S, R30E – Eddy County, New Mexico
API # 30-015-42498

Mr. McMillan:

Burnett Oil Co., Inc. respectfully requests an exception without notice and hearing to NMOCD Rule 104 for the Stevens A #20 (Cedar Lake Glorieta Yeso).

This location is 80' feet unorthodox at the surface to the North and 70' unorthodox at the surface to the East. While this only affects Burnett and no other lease holders, the working interest owners and interests of Section 13, Units F, G, J and K are not the same. We have notified the working interest owners and I have attached a copy of the notices. Also, attached you will find a map showing the Burnett leases in this area as well as a copy of our C-102 and the BLM approved APD.

The reason for the NSL was due to surface issues in Loco Hills. The location had to be moved in order to avoid a pipeline.

Please contact me if you have any questions or need any additional information.

Thank you,

Leslie M. Garvis
Regulatory Coordinator

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

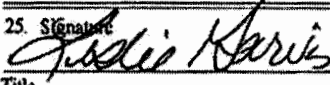
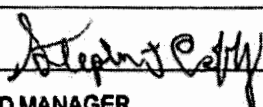
FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

| | | |
|--|---|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. NMP MU30570A |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator Burnett Oil Co., Inc. | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102 | | 8. Lease Name and Well No. Stevens A 20 |
| 3b. Phone No. (include area code) 817-332-5108 x6326 | | 9. API Well No. 30-015-42498 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements*) At surface 2390' FSL & 2380' FWL, Unit K At proposed prod. zone Same | | 10. Field and Pool, or Exploratory Cedar Lake Glorieta Yeso |
| 14. Distance in miles and direction from nearest town or post office* Approximately 2 Miles North of Loco Hills, NM | | 11. Sec., T. R. M. or Blk. and Survey or Area Section 13, T. 17S, R. 30E |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 260' | 16. No. of acres in lease 200 | 17. Spacing Unit dedicated to this well 40 |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 400' | 19. Proposed Depth 6100' TVD 6100 MD | 20. BLM/BIA Bond No. on file NM-B000197 & NM-B000699 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3729' GL | 22. Approximate date work will start* 09/27/2014 | 23. Estimated duration 30 days |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the BLM. |
|---|---|

| | | |
|--|--|--------------------|
| 25. Signature  | Name (Printed/Typed) Leslie M. Garvis | Date 01/29/2014 |
| Title Regulatory Coordinator | | |
| Approved by (Signature)  | Name (Printed/Typed) Office | Date 7/9/14 |
| Title FOR FIELD MANAGER | | |

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

Roswell Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240
Phone (575) 393-0101 Fax: (575) 393-0700

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1820 Fax: (505) 748-0730

DISTRICT III
1000 Rio Branson Ed., Aztec, NM 87410
Phone (505) 834-0178 Fax: (505) 834-0170

DISTRICT IV
1250 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-8480 Fax: (505) 476-8482

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 13, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|------------------------|--|---------------------------------------|
| API Number | Pool Code 96831 | Pool Name CEDAR LAKE GLORIETA YESO |
| Property Code 20145 | Property Name STEVENS A | Well Number 20 |
| OGRID No. 03080 | Operator Name BURNETT OIL COMPANY, INC. | Elevation 3729 |

Surface Location

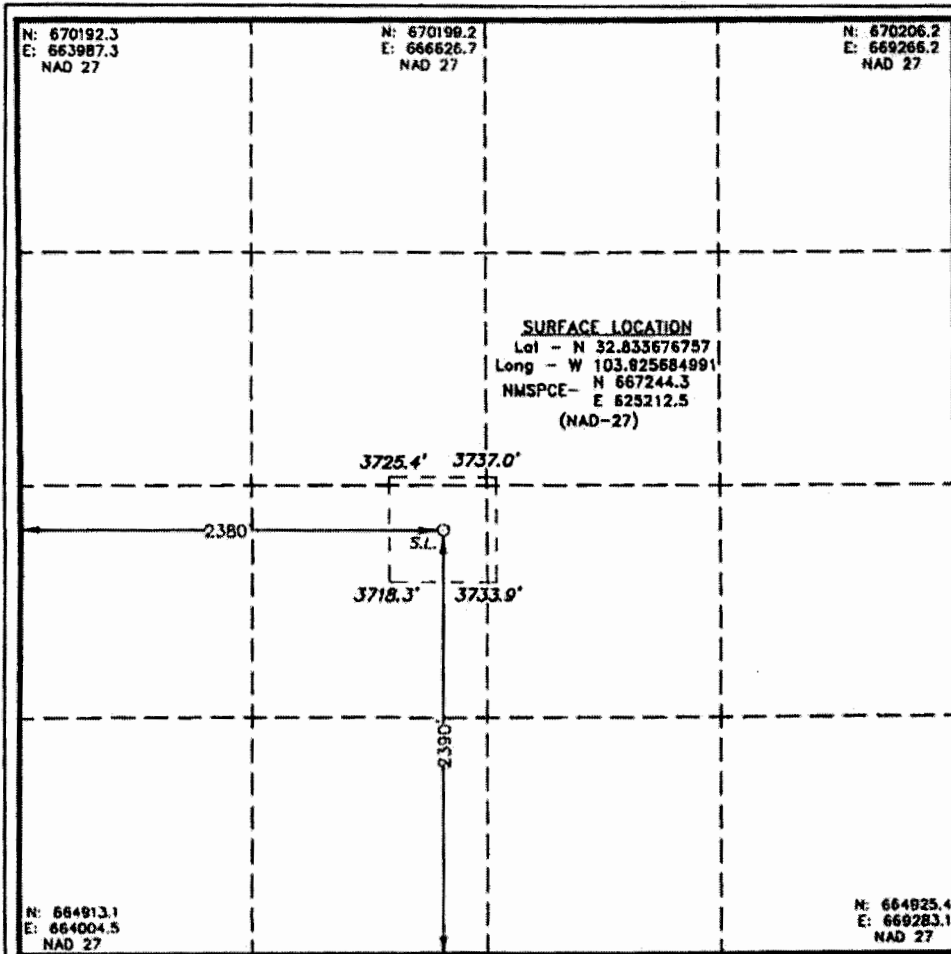
| UL or lot No. | Section | Township | Range | Lot Idn | FEET from the | SOUTH/South line | FEET from the | East/EAST line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K | 13 | 17 S | 30 E | | 2390 | SOUTH | 2380 | WEST | EDDY |

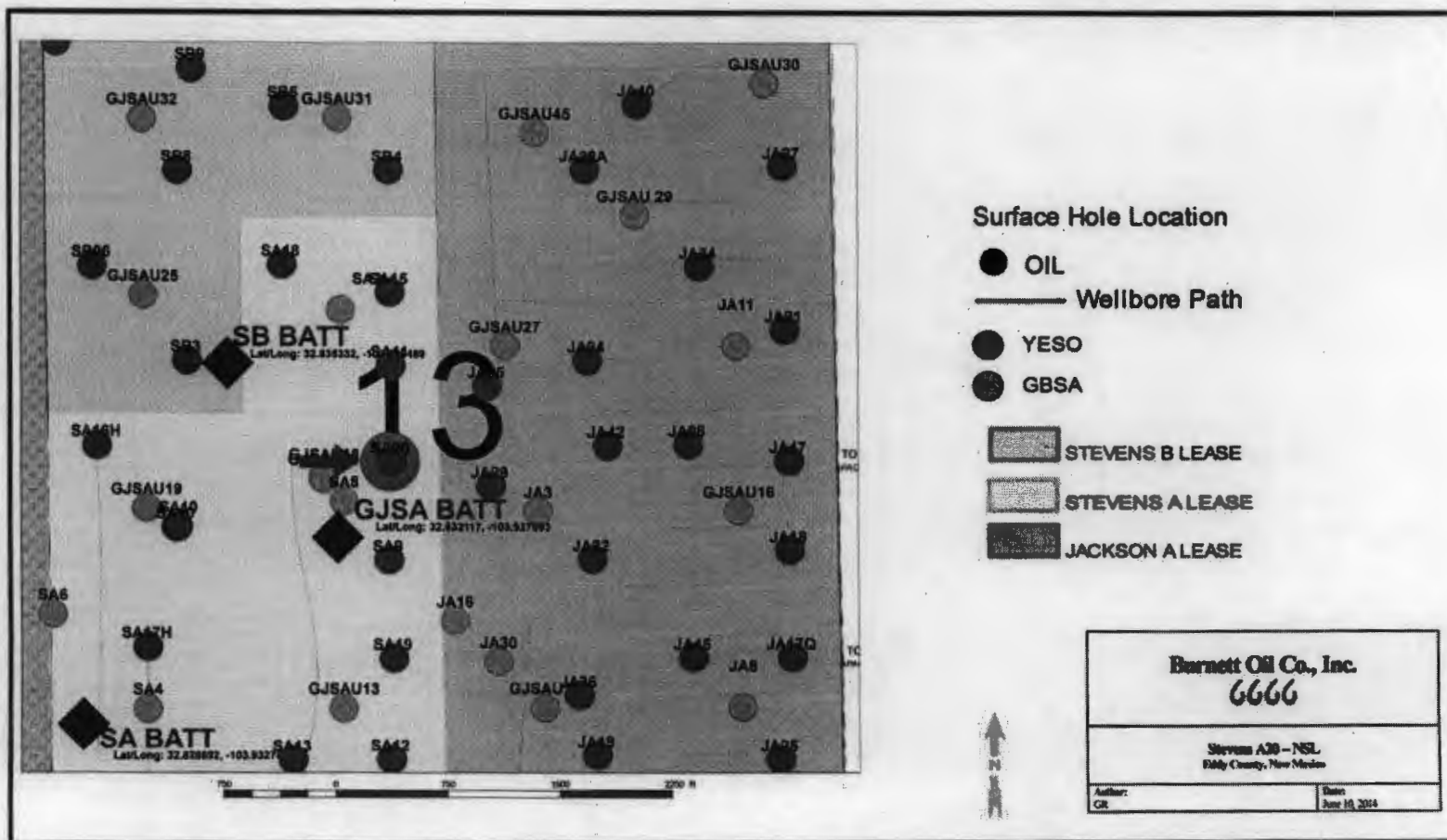
Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | FEET from the | SOUTH/South line | FEET from the | East/EAST line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|-----------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | |
|---|---|--------------------------------------|--|
| N: 670192.3 E: 663987.3 NAD 27 | N: 670199.2 E: 666626.7 NAD 27 | N: 670206.2 E: 669266.2 NAD 27 | OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division. <i>Leslie Garvis</i> 1-31-14 Signature _____ Date _____ Printed Name <u>Leslie Garvis</u> Email Address <u>lgarvis@burnettoil.com</u> |
| SURFACE LOCATION Lat - N 32.833676757 Long - W 103.925684991 NWSPCE- N 667244.3 E 625212.5 (NAD-27) | | | SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. NOVEMBER 20 2013 Date Surveyed _____ Signature of Professional Surveyor _____ Professional Surveyor 7977 Certificate No. 7977 BURNETT OIL COMPANY |
| N: 664913.1 E: 664004.5 NAD 27 |  | | N: 664925.4 E: 668283.1 NAD 27 |
| | | | 0' 500' 1000' 1500' 2000' SCALE: 1" = 1000' WO Num.: 29751 |





26 September 2014

Sent via Certified Mail

Mr. Douglas Perschke
OXY Y-1 Company
5 Greenway Plaza, Suite 110
Houston, Texas 77046

Re: Stevens A #20 | Federal Lease #NMLC030570A | NSL Approval Request
Unit K, 2390' FSL, 2380' FWL
SEC. 13, T17S, R30E – Eddy County, New Mexico
API # 30-015-42498

Douglas,

Burnett Oil Company has submitted a request for approval of a Non-Standard Location on the above referenced well. This letter is to notify you of this request as per OCD Rule 19.15.15.13. According to the OCD rules, you have twenty (20) days to respond to the OCD regarding this request.

Enclosed you will find a copy of our request, a plat showing the spacing unit and location and the adjoining spacing units. A non-standard location was necessary in order to avoid a pipeline in the area. We respectfully request that in the event you have an objection to this NSL, that you please contact us to discuss it.

If you have any questions or need any additional information, please do not hesitate to contact me at 817.583.8730 or lgarvis@burnettoil.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leslie Garvis', is written over a horizontal line.

Leslie M. Garvis
Regulatory Coordinator

cc: BOCI – Brown, Glasgow, Rhodes

enclosures (5)



26 September 2014

Sent via Certified Mail

Mr. David Boneau
Abo Petroleum Corporation
P.O. Box 900
Artesia, New Mexico 88211

Re: Stevens A #20 | Federal Lease #NMLC030570A | NSL Approval Request
Unit K, 2390' FSL, 2380' FWL
SEC. 13, T17S, R30E – Eddy County, New Mexico
API # 30-015-42498

David,

Burnett Oil Company has submitted a request for approval of a Non-Standard Location on the above referenced well. This letter is to notify you of this request as per OCD Rule 19.15.15.13. According to the OCD rules, you have twenty (20) days to respond to the OCD regarding this request.

Enclosed you will find a copy of our request, a plat showing the spacing unit and location and the adjoining spacing units. A non-standard location was necessary in order to avoid a pipeline in the area. We respectfully request that in the event you have an objection to this NSL, that you please contact us to discuss it.

If you have any questions or need any additional information, please do not hesitate to contact me at 817.583.8730 or lgarvis@burnettoil.com

Sincerely,

Leslie M. Garvis
Regulatory Coordinator

cc: BOCI – Brown, Glasgow, Rhodes

enclosures (5)



26 September 2014

Sent via Certified Mail

Mr. David Boneau
Myco Industries, Inc.
105 S. 4th Street
Artesia, New Mexico 88211

Re: Stevens A #20 | Federal Lease #NMLC030570A | NSL Approval Request
Unit K, 2390' FSL, 2380' FWL
SEC. 13, T17S, R30E – Eddy County, New Mexico
API # 30-015-42498

David,

Burnett Oil Company has submitted a request for approval of a Non-Standard Location on the above referenced well. This letter is to notify you of this request as per OCD Rule 19.15.15.13. According to the OCD rules, you have twenty (20) days to respond to the OCD regarding this request.

Enclosed you will find a copy of our request, a plat showing the spacing unit and location and the adjoining spacing units. A non-standard location was necessary in order to avoid a pipeline in the area. We respectfully request that in the event you have an objection to this NSL, that you please contact us to discuss it.

If you have any questions or need any additional information, please do not hesitate to contact me at 817.583.8730 or lgarvis@burnettoil.com.

Sincerely,

Leslie M. Garvis
Regulatory Coordinator

cc: BOCI – Brown, Glasgow, Rhodes

enclosures (5)

Leslie Garvis

Subject: FW: Stevens A 20 NSL

From: Deb Brown
Sent: Friday, April 25, 2014 11:55 AM
To: Leslie Garvis
Subject: RE: Stevens A 20 NSL

Leslie,
The working interests in the Yeso formation are not the same. Contact info shown below.

Deb

DEB BROWN
LANDMAN

BURNETT OIL COMPANY
BURNETT PLAZA – SUITE 1500
801 CHERRY STREET – UNIT #9
FORT WORTH, TX 76102-6881
OFFICE: (817) 332-5108
FAX: (817) 332-7832
DEB@BURNETTOIL.COM

From: Leslie Garvis
Sent: Wednesday, April 16, 2014 1:09 PM
To: Deb Brown
Subject: Stevens A 20 NSL

Deb,

Another NSL to Burnett. If the owners and interest are not the same, I will have to send them notices.

Can you tell me if the working interests and owners are the same for T17S, R30E, Sec. 13 Units K, J, F & G?

If they are not the same, can you also send me the contact info for the owners so that I can notify them.

Thank you

LESLIE M. GARVIS
REGULATORY COORDINATOR

BURNETT OIL CO., INC.
BURNETT PLAZA-SUITE 1500
801 CHERRY STREET - UNIT #9
FORT WORTH, TX 76102-6881
OFFICE: (817) 332-5108
FAX: (817) 332-2438
EMAIL: LGARVIS@BURNETTOIL.COM

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or insider information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

Form 3160-3
(March 2012)

JUL 11 2014

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|---|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. NMM030570A |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator Burnett Oil Co., Inc. | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102 | 3b. Phone No. (include area code) 817-332-5108 x6326 | 8. Lease Name and Well No. Stevens A 20 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 2390' FSL & 2380' FWL, Unit K At proposed prod. zone Same | | 9. API Well No. 30-015-42498 |
| 14. Distance in miles and direction from nearest town or post office* Approximately 2 Miles North of Loco Hills, NM | | 10. Field and Pool, or Exploratory Cedar Lake Glorieta Yeso |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 260' | 16. No. of acres in lease 200 | 11. Sec., T. R. M. or Blk. and Survey or Area Section 13, T. 17S, R. 30E |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 400' | 19. Proposed Depth 6100' TVD 6100 MD | 12. County or Parish Eddy |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3729' GL | 22. Approximate date work will start* 09/27/2014 | 13. State NM |
| 23. Estimated duration 30 days | | |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

| | | |
|--|--|--------------------|
| 25. Signature <i>Leslie M. Garvis</i> | Name (Printed/Typed) Leslie M. Garvis | Date 01/29/2014 |
|--|--|--------------------|

Title

Regulatory Coordinator

| | | |
|--|--------------------------------------|----------------------|
| Approved by (Signature) Steve Caffey | Name (Printed/Typed) Steve Caffey | Date JUN - 9 2014 |
| Title FIELD MANAGER | Office CARLSBAD FIELD OFFICE | |

Application approval 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.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

Roswell Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVALApproval Subject to General Requirements
& Special Stipulations Attached