



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

November 1, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

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

Attention: Sterling P. Randolph, P. E.
Petroleum Engineer
randolph@burnettoil.com

Administrative Order NSL-5297

Dear Mr. Randolph:

Reference is made to the following: (i) yours and Mr. James H. Arline's application (*administrative application reference No. pSEM0-528027103*) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on October 6, 2005; (ii) the Division's initial response by letter to Mr. James H. Arline dated October 20, 2005 from Mr. Michael E. Stogner, Engineer with the Division in Santa Fe requesting verification of certain information related to application; (iii) Mr. Arline's response by letter dated October 25, 2005 with the necessary information to complete this application; and (iv) the Division's records in Santa Fe: all concerning Burnett Oil Co., Inc.'s ("Burnett") request to drill its proposed Gissler "B" Well No. 37 as an initial well within a standard 40-acre oil spacing and proration unit in the Loco Hills-Paddock Pool (96718) comprising the NW/4 NW/4 (Unit D) of Section 14, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, at an unorthodox oil well location 1010 feet from the North line and 990 feet from the West line of Section 14.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2) [formerly Division Rule 1207.A (2), see Division Order No. R-12327-A, issued by the New Mexico Oil Conservation Commission in Case No. 13482 on September 15, 2005].

By the authority granted me under the provision of Division Rule 104.F (2), as revised, the above-described unorthodox oil well location for Burnett's proposed Gissler "B" Well No. 37 within the Loco Hills-Paddock Pool is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad
James H. Arline, Burnett Oil Co., Inc. – Fort Worth