

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Burnett Oil
Stevens A #14
5682

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.

Print or Type Name	Signature	Title	Date

e-mail Address			

6666

July 30, 2007

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Attn: Engineering Department

Re: Stevens A #14 30-015-35320
Unit N, 80' FSL, 1400' FWL
SEC.13, T17S, R30E- Eddy County, New Mexico

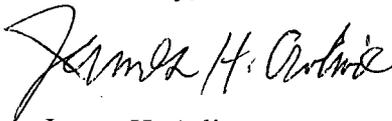
RECEIVED
2007 AUG 3 PM 12:09

Gentlemen:

Burnett Oil Co., Inc. respectfully requests an exception without notice and hearing to NMOCD Rule 104 for the Stevens A #14 (Cedar Lake Yeso) well. This location was used to limit the amount of new area to be disturbed in testing this zone for our Federal lease LC- 030570A. The well site utilizes an existing road and part of a existing plugged well pad. The flow line will follow an existing road to our existing approved Stevens A Tank Battery on the lease. The attached plat shows we are the Operator of Record for all the wells and area on all four sides of this well site. **All the interest ownership for this entire lease as well as LC055264(directly below) is exactly the same.** A copy of our approved 3160-3 and location plats are included for your review.

Please contact the undersigned if you should need any more information or have any question.

Yours truly,



James H. Arline
Materials Coordinator

BURNETT OIL CO., INC.
(OPERATOR)

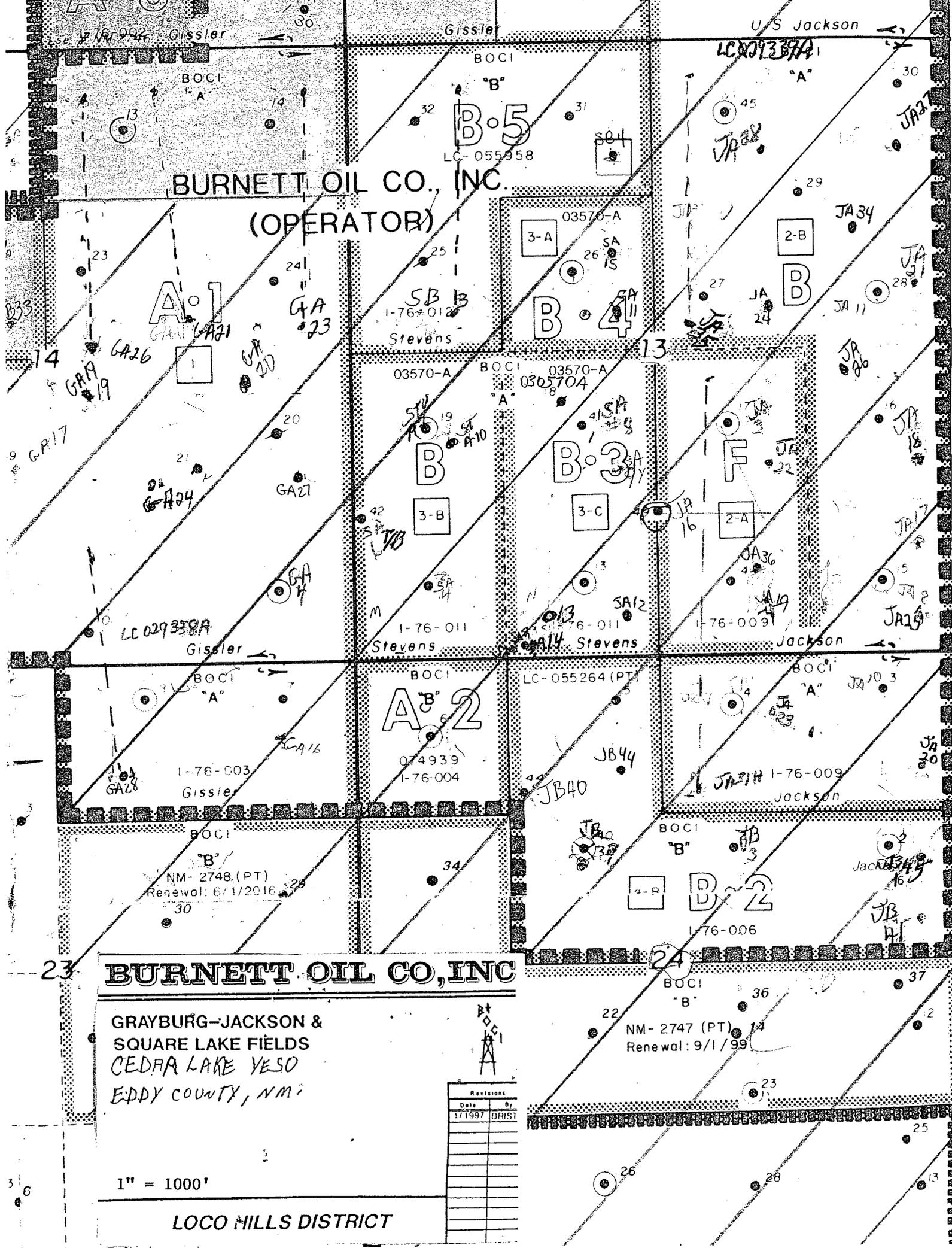
BURNETT OIL CO., INC

GRAYBURG-JACKSON &
SQUARE LAKE FIELDS
CEDAR LAKE YESO
EDDY COUNTY, NM

1" = 1000'

LOCO MILLS DISTRICT

Revisions		
Date	By	
11/1997	DRIST	



OPERATOR'S COPY SUBMIT IN TRIPLICATE
(Other instructions on reverse side)
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL **DEEPEN** **PLUG BACK**

b. TYPE OF WELL
OIL WELL **GAS WELL** **OTHER**
SINGLE ZONE **MULTIPLE ZONE**

2. NAME OF OPERATOR
BURNETT OIL CO., INC (817/332-5108)

3. ADDRESS OF OPERATOR
801 CHERRY STREET, SUITE 1500, FORT WORTH, TEXAS 76102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface **UNIT N, 80' FSL, 1400' FWL** **ROSWELL CONTROLLED WATER BASIN**
At proposed prod. zone **SAME AS SURFACE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
APPROXIMATELY 6 MILES EAST OF LOCO HILLS, NEW MEXICO

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
330'

16. NO. OF ACRES IN LEASE
240

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
330'

19. PROPOSED DEPTH
5400'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3712' GR

22. APPROX. DATE WORK WILL START*
MARCH 1, 2007

5. LEASE DESIGNATION AND SERIAL NO.
NMLC030570A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
STEVENS A

9. WELL NO.
#14 API# 30-015-

10. FIELD AND POOL, OR WILDCAT
CEDAR LAKE YESO

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC 13, T17S, R30E

12. COUNTY OR PARISH | 13. STATE
EDDY | NM

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 7/8"	9 5/8"	32.30#	+/- 400'	+/-400 Sks(Circ. to Surface)
8 3/4"	7"	23#	5400'	+/-1500 Sks in 2 stages

(If water flows are encountered cementing program may vary.)

A 14 7/8" hole will be drilled to Rustler Anhydrite. We will set 9 5/8" casing @ this depth & cement to surface After an 18 hour cement wait, casing & BOP will be tested before drill out of the shoe. An 8 3/4" hole will be drilled to approx. 5400' to effectively test the Cedar Lake Yeso interval. The 7" casing will be run and set @ TD and cemented to 600' above highest potential producing horizon. We will perforate and treat the productive intervals of the well will be drilled as recommended by our service company and we will perforate and treat productiv ase recommended by service company.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 Marka Jacoby TITLE ENGINEERING MANAGER DATE 11/21/2006

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY James B. Amos Jr TITLE FIELD MANAGER DATE 12-22-06

CONDITIONS OF APPROVAL, IF ANY:

35320

APPROVAL FOR 1 YEAR

*See Instructions On Reverse Side



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 14, 2007

Mr. James H. Arline
Burnett Oil Co., Inc.
Burnett Plaza - Suite 1500
801 Cherry Street - Unit #9
Fort Worth, TX 76102-6881

**Re: Administrative Application No. pTDS0721835708
Stevens A Well No. 14
N-13-17S-30E
Eddy County**

Dear Mr. Arline:

The referenced application does not contain sufficient information for us to determine if all necessary notices have been given.

The application letter from Mr. James H. Arline of your office states, "All the interest ownership for this entire lease as well as LC055264 (directly below) is exactly the same." The attached plat indicates that the SW/4 SW/4 (Unit M) of Section 13 (the West offset) is included in LC03570, along with the subject unit, and that the NE/4 NW/4 of Section 24 (the South offset) is included in LC055264. However, there is nothing to indicate that the NW/4 NW/4 of Section 24 (southwest offset) is included in either of these leases.

Please specifically confirm, if such is the case, that working interest ownership is common, as between the subject unit and the NW/4 NW/4 of Section 24.

Additionally, please furnish a Well Location and Acreage Dedication Plat for this well.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,
david.brooks@state.nm.us
Legal Examiner



August 28, 2007

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Attn: David K. Brooks

Re: Stevens A #14
Unit N, 80' FSL, 1400' FWL
SEC.13, T17S, R30E- Eddy County, New Mexico

Gentlemen:

Per your August 14, 2007 letter about the reference well, **Burnett Oil Co., Inc is the operator of record for all of Section 13 and 24, T17S, R30E** under our Federal Lease NMNM2747, NMNM074939, NML 030570A, NMLC029339A , NMLC055264 and NMLC055958.. As you know, the NW/4 NW/4 of Section 24, T17S, R30E is NMNM074939. **The interest ownership for this lease (NMLC030570A) is exactly the same as all the other federal leases shown in this letter.** The attached plat shows the boundary for this lease. A copy of the C-102 from your NMOCD website is included for your records.

Please contact the undersigned if you should need any more information or have any question.

Yours truly,

James H. Arline
Materials Coordinator

xc: attachments

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1625 N. FRENCH DR., BOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30.015.35320	Pool Code 96831	Pool Name Cedar Lake Gloria, et al. - Uyeso
Property Code 020145	Property Name STEVENS A	Well Number 14
OGRID No. 003080	Operator Name BURNETT OIL COMPANY	Elevation 3710'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	17-S	30-E		80	SOUTH	1400	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

	<p>SECTION 13 SECTION 14</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Mark A. Jacoby 11/13/06 Signature Date</p> <p>Mark A. Jacoby Printed Name</p>
		<p>SEE DETAIL</p> <p>1400'</p> <p>80'</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=664932.8 N X=624225.6 E</p> <p>LAT.=32.827334' N LONG.=103.928927' W</p>