

ABOVE THIS LINE FOR DIVISION USE ONLY

**RECEIVED** - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Burnett D#6*  
3080

*Gyssel B#55*

2009 NOV 30 PM 2:11

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-015-37243

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.

MARK A. JACOBY Mark A. Jacoby ENGINEERING MANAGER 11/24/2009  
 Print or Type Name Signature Title Date

\_\_\_\_\_  
 e-mail Address



November 24, 2009

New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87504  
Attn: Engineering Department

Re: Gissler B #55 Federal Lease NMNM 2748  
Unit J, 2475' FSL, 2475' FEL  
SEC.11, T17S, R30E- Eddy County, New Mexico

Gentlemen:

*Grayburg Jackson SR, Q, GB, SA*

Burnett Oil Co., Inc. respectfully request's an exception without notice and hearing to NMOCD Rule 104 for the Gissler B #55 new drill (Grayburg San Andres 28509) well. Our original spot for this location was moved by the Bureau of Land Management after sand dunes were found when trying to stake the well site. We also had to be as close as possible to the geological center of two existing injection wells (GB#9 and GB#18.) The flowline will follow existing roadway to our Gissler B #3-1 Tank Battery on the lease. The attached plat shows we are the Operator of Record for all the wells on all sides of this well site including Federal Lease NMFC029338A and NMNM2746 in the South East portion of this Section 11. The Federal Lease NMNM2748 is outlined in red. **All the interest ownership for the entire section we operate is exactly the same.** A copy of our approved 3160-3, plats and AFE approval letter from the working interest owners are included for your easy reference.

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

Yours truly,

James H. Arline  
Materials Coordinator

Operator Copy

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

UNITED 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. <b>NMNM2748</b>
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 <b>BURNETT OIL CO., INC.</b>		7. If Unit or CA Agreement, Name and No.
3a. Address <b>801 Cherry St. Unit 9 Fort Worth, Tx76102</b>		8. Lease Name and Well No. <b>GISSLER B #55</b>
3b. Phone No. (include area code) <b>(817) 332-5108</b>		9. API Well No. <b>30-015-</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>Unit J, 2475' FSL, 2475' FEL</b> At proposed prod. zone <b>SAME AS ABOVE</b>		10. Field and Pool, or Exploratory <b>GRAYBURG SAN ANDRES</b>
14. Distance in miles and direction from nearest town or post office* <b>Approx 6 miles East &amp; North of Loco Hills, New Mexico</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC 11, T17S, R30E</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>330'</b>	16. No. of Acres in lease <b>1240</b>	12. County or Parish <b>EDDY CTY</b>
17. Spacing Unit dedicated to this well <b>40</b>	13. State <b>NEW MEXICO</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>330'</b>	19. Proposed Depth <b>4500'</b>	20. BLM/BIA Bond No. on file <b>NMB# 000197</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>3729' GL</b>	22. Approximate date work will start* <b>SEPTEMBER 21, 2009</b>	23. Estimated duration <b>10 Days to Drill</b>

**UNORTHODOX LOCATION**

24. Attachments

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

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

25. Signature <i>Mark Jacoby</i>	Name (Printed/Typed) <b>MARK JACOBY</b>	Date <b>7/27/2009</b>
Title <b>ENGINEERING MANAGER</b>		
Approved by (Signature) <i>Don Peterson</i>	Name (Printed/Typed) <b>/s/ Don Peterson</b>	Date <b>8/26/09</b>
Title <b>GR FIELD MANAGER</b>	Office <b>CARLSBAD FIELD OFFICE</b>	

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)

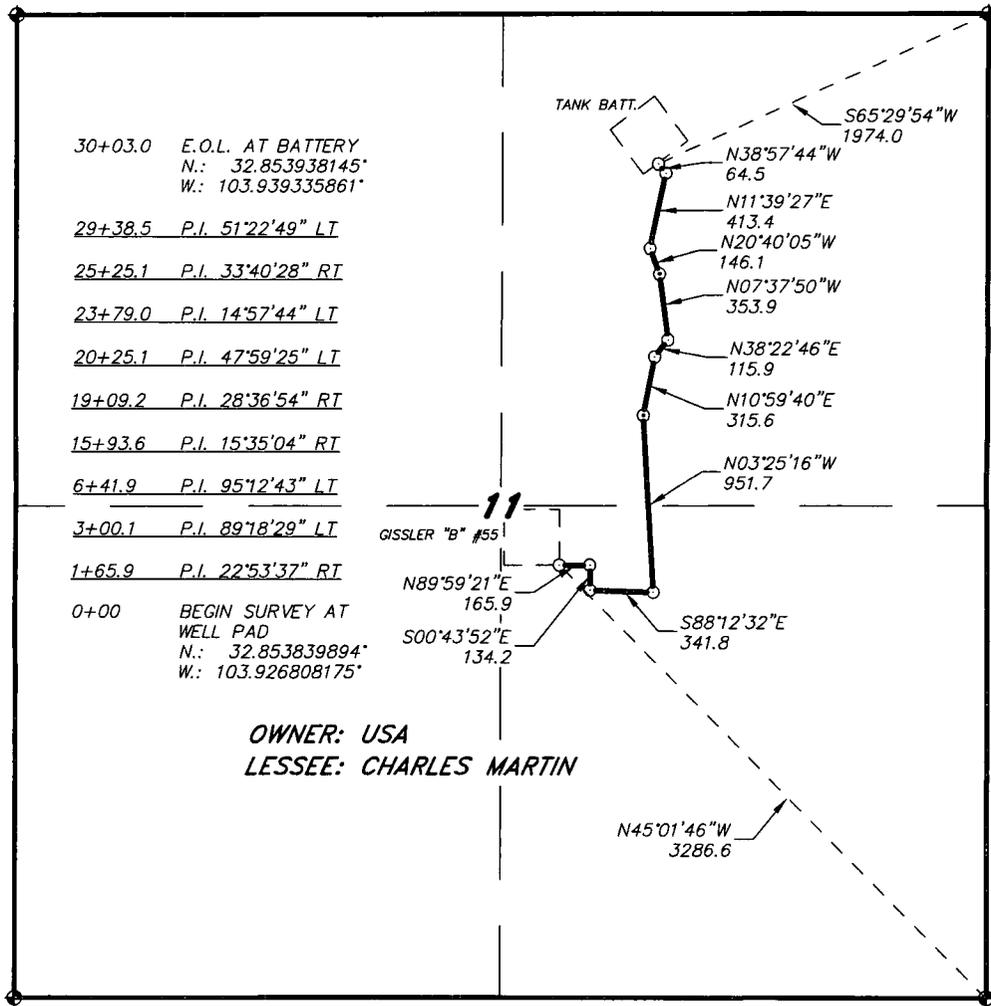
Roswell Controlled Water Basin

30-015-37243

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Approval Subject to General Requirements  
& Special Stipulations Attached

SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.

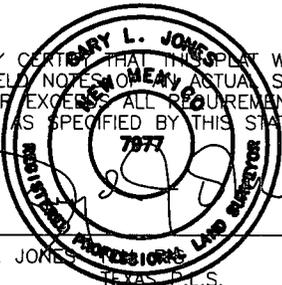


LEGAL DESCRIPTION

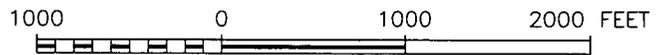
A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 11 = 3003.0 FEET = 182.00 RODS = 0.57 MILES = 2.07 ACRES

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES No. 7977  
REGISTERED PROFESSIONAL LAND SURVEYOR  
NEW MEXICO No. 5074



**BURNETT OIL COMPANY, INC.**

REF: PROPOSED FLOWLINE TO THE GISSLER "B" #55

A FLOWLINE CROSSING USA LAND IN  
SECTION 11, TOWNSHIP 17 SOUTH, RANGE 30 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

**BASIN SURVEYS** P.O. BOX 1786—HOBBS, NEW MEXICO

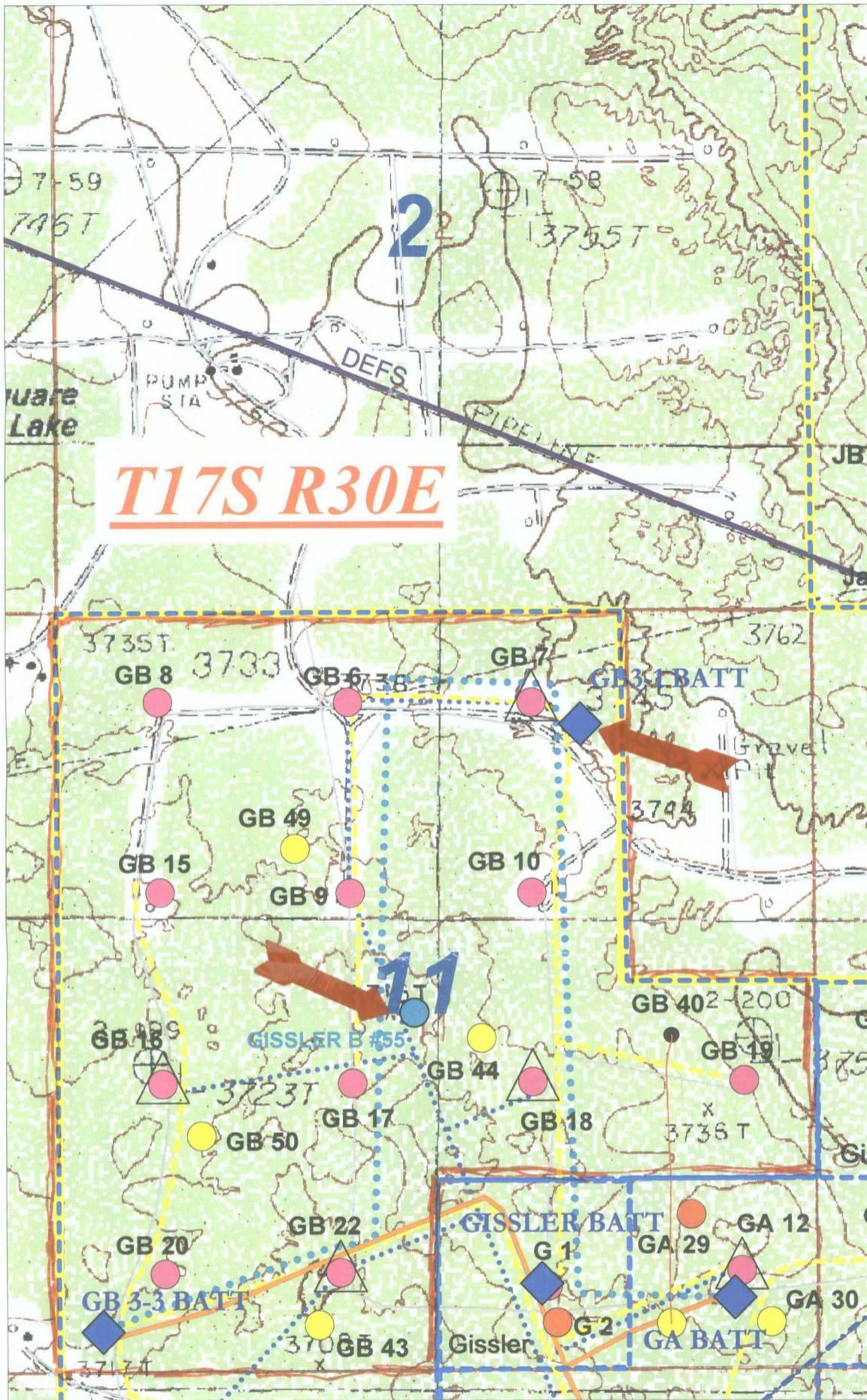
W.O. Number: 21503 Drawn By: J. M. SMALL

Date: 07-08-2009

Disk: JMS 21503

Survey Date: 07-07-2009

Sheet 1 of 1 Sheets



**Well Names**

- GA = Gissler A
- GB = Gissler B
- SA = Stevens A
- GJSA = Grayburg Jackson  
San Andres

**Gissler B #55**

T17S, R30E, Sect 11, Unit J, NM2748  
 2475' FSL, 2475' FEL, GB 3-1 Battery  
 Lat/Long: 32.848471/-103.942591

<b>Burnett Oil Co., Inc.</b> <span style="color: red; font-size: 1.2em;">6666</span>		
Gissler B #55 Proposed Well Location (Map Reflects Burnett Operated Wells Only) Eddy County, New Mexico		
Author: S Spray, Geo Tech		Date: November 24, 2009
Scale: 1" = 1,000'		