

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION
GCD-ARTESIA

OCT 20 2017

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMNM074939
2. Name of Operator BURNETT OIL CO. INC. Contact: LESLIE GARVIS E-Mail: lgarvis@burnettoil.com	6. If Indian, Allottee or Tribe Name
3a. Address BURNETT PLAZA - SUITE 1500 801 CHERRY STREET FORT WORTH, TX 76102	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 817-683-8750	8. Well Name and No. GISSLER B 36
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T17S R30E Mer NMP 1650FNL 1650FWL	9. API Well No. 30-015-34022
	10. Field and Pool or Exploratory Area CEDAR LAKE GLORIETTA YESO
	11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing <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
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, Form 3160-5 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Below is the water flow shut off procedure that Burnett proposes for this well:

- MIRU cementing company
- Pressure up on 9-5/8" x 5-1/2" casing annulus with fresh water;
 - If annulus pressures up to 250 psig, hold for 30 minutes and call BLM
 - If pressure will not hold, establish injection rate, limiting surface injection pressure to 250 psig.
- If EIR established, mix and pump 100 sx 14.7 ppg, limit surface pressure to 300 psig. NOTE that the calculated hole volume to 50' below the surface casing

SUBJECT TO LEASE
APPROVAL BY STATE

APPROVED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

WITNESS

14. I hereby certify that the foregoing is true and correct. Electronic Submission #378399 verified by the BLM Well Information System For BURNETT OIL CO. INC., sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/13/2017	
Name (Printed/Typed) LESLIE GARVIS	Title REGULATORY COORDINATOR
Signature (Electronic Submission)	Date 06/08/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Paul R. Lantz</u> 10/02/2017	Title <u>TPET</u>	Date
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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #378399 that would not fit on the form

32. Additional remarks, continued

shoe calls for 55 sx.

4. Shut down, RDMO cementing company.

Conditions of Approval

**Burnett Oil Company, Inc.
Gissler B - 36, API 3001534022
T17S-R30E, Sec 14, 1650FNL & 1650FWL
October 02, 2017**

1. **Begin wellbore operations within 90 days of these conditions of approval for the processed Electronic Submission #378399 notice of intent or request an extension.**
2. **Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.**
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Before adding, replacing, or repairing casing or a liner, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
6. Surface disturbance beyond the existing pad shall have prior BLM approval.
7. Functional H₂S monitoring equipment shall be on location.
8. Blow Out Prevention Equipment 2000 (2M) to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels or automatic locking devices) equipment installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) employed when needed for reasonable well control requirements.
9. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created during work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
10. Notify BLM 575-361-2822 Eddy Co. as work begins. Some procedures witnessed. If there is no response, leave a voice mail with the API#, workover purpose, and a call back phone number.
11. The BLM PET witness is to run tbq tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.

12. **Set a plug within 100' of the top perf 4978' and perform a charted casing integrity test of 500psig minimum.** Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 85 per cent of its full range. **Verify all annular casing vents plumbed to the surface and open during this pressure test. Call BLM 575-361-2822 Eddy Co., and arrange for a BLM witness of that pressure test.** Include a copy of the chart with the subsequent sundry for this workover.
13. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from the plug within 100' of the top perf taken with 0psig casing pressure to TOC. Attach the CBL to a pswartz@blm.gov email.**
14. **Run an acoustic log designed to determine the water flow entry depth behind pipe and reevaluate procedure.**
15. **Squeeze cement in the 5 1/2" annulus to cover the Top of Salt and 9 5/8" shoe. Perf the 5 1/2" csg at 480' or below, open the 5 1/2" x 9 5/8" csg vent, establish an injection rate, and squeeze 55 to 60sx Class "C" neat cmt mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water through a packer circulating cement to surface out the 5 1/2" x 9 5/8" annulus. Close the 5 1/2" x 9 5/8" csg vent and WOC.**
16. **Drill out all cement below the 480' perfs and test 5 1/2" csg to 500psig. Test 5 1/2" x 9 5/8" csg annulus to 200psig.**
17. **Monitor wellhead for continued water flow.**
18. **File subsequent sundry Form 3160-5 within 30 days of workover procedures. Include (dated daily) descriptions of the well work, i.e. procedure descriptions and setting depths of each plug in the subsequent sundry.**
19. **The subsequent report is to include stimulation injection pressures. Report maximum/minimum injection rate (BPM) and max/min stimulation injection pressures.**
20. **Submit a (BLM Form 3160-5 subsequent report describing (dated daily) all wellbore activity and the Mechanical Integrity Test. File intermediate Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.**
21. **A BLM Well Recompletion Form 3160-4 and a NMOC Form C-102 "Well Location and Acreage Dedication Plat" with updated information is necessary with the subsequent package when recompletion changes a well's Pool designation.**
22. **File intermediate subsequent sundry Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.**

An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in **paying quantities** or of service use.

23. **Submit evidence to support your determination that the well is in active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 within 90 days of this sundry's approval date.**
24. **Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.**

Operator: Burnett Oil Co. Inc.
 Surface Lease: NM074939 BHL: NM074939
 Case No: NM074939 Lease Agreement
 Subsurface Concerns for Casing Designs: KFC
 Well Status: POW
 Spud date: 5/9/2005
 Plug'd Date:
 Reentry Date:

Well: GISSLER B-36
 API: 3001534022
 @ Srfce: T17S-R30E, 14.1650n1650w
 @ M TD: T17S-R30E, 14.1650n1650w
 Estate: F\F\F
 CWDW, R of W:
 OCD Admn Order, date:
 Frmtn, Depths, psig:

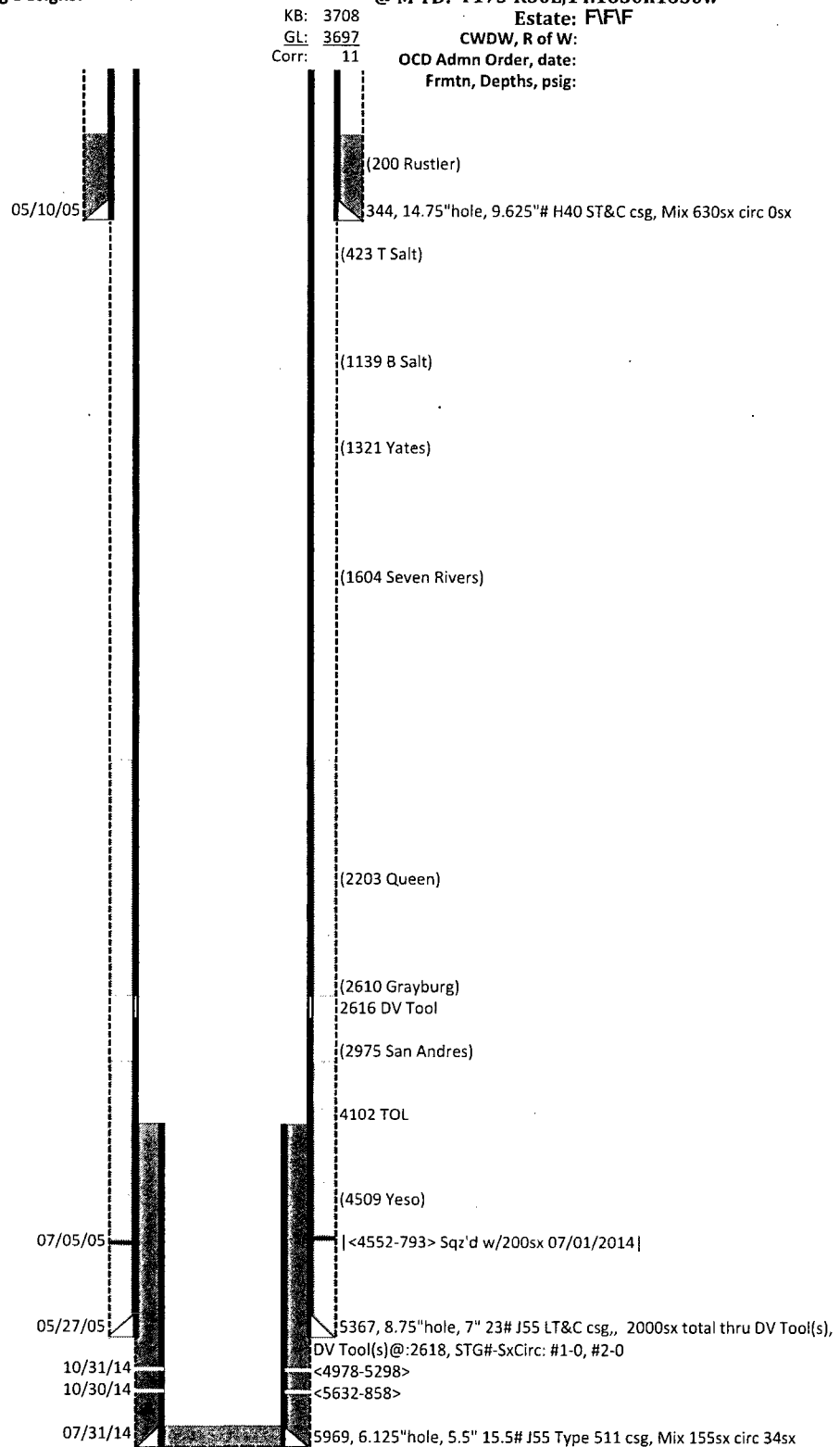


Diagram last updated: 09/28/2017