

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No. **8339A**
NMLC022938A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE. Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

BURNETT OIL CO., INC.

3a. Address 801 CHERRY STREET, SUITE 1500

UNIT #9 FORT WORTH, TEXAS, 76102

3b. Phone No. (include area code)

(817) 332-5108

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UNIT G, 2310' FNL, 1400' FEL, SEC 14, T17S, R30E

8. Well Name and No.

GISSLER A #21

9. API Well No.

30-015-33243 S1

10. Field and Pool, or Exploratory Area

LOCO HILLS PADDOCK

11. County or Parish, State

Eddy County, N.M.

12. CHECK 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"/> Fracture Treat	<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 CUT
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	HORIZONTAL
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	WINDOW + DRILL

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 shall 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, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well is drilled at the above location by approved NMOCD NSL Administrative order # 5001 dated February 13, 2004. It is presently completed as a vertical Loco Hills Paddock well with total of 22 perforations from 4556' to 4818'. We now propose to cut a window in the 7" production casing within the LHP perforations and drill an approx. 2000' lateral hole in the present Loco Hills Paddock zone. The end of the lateral is proposed to be @ Unit B, 330' FNL, 1650' FEL in Sec 14 T17S, R30E as a standard location. This lateral hole will be drilled and treated as recommended our service company. This horizontal well will continue to be produced to the existing Gissler A2 Tank Battery on the lease. An updated C102 is included.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

STERLING RANDOLPH

Title

PETROLEUM ENGINEER

Signature

Date

3/23/2006

Approved by

David R. Glass

Title

PETROLEUM ENGINEER

Date

MAR 30 2006

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

Title 18 U.S.C. Section 1001, makes 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 reverse)