

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCT 31 2008

Form C-144
June 1, 2004

OCD-ARTESIA
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

APR 18 2008

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

OCD-ARTESIA

Operator Burnett Oil Co Telephone: 677-2313 e-mail address seay 04 @ leaco . net
Address Box 198 loco Hills NM
Facility or well name: Gissler H #31 API # 30-015-36035 U/L or Qtr/Qtr 0 Sec 14 T 17 R 30
County Eddy Latitude 32.8293 Longitude 103.9412 NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>4000</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water) <u>300 + feet</u>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <u>100 feet or more (0 points)</u>
Wellhead protection area. (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No (0 points)</u>
Distance to surface water (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more (0 points)</u>
Ranking Score (Total Points)	

See attached
Conditions of Approval

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location. (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results (5)

Attach soil sample results and a diagram of sample locations and excavations

Additional Comments: Our plan is to trench bury onsite. Excavate trench adjacent to drilling pit, line trench with 12mil plastic, put contents of drilling pit in trench, cover trench with 20 mil plastic + 3 ft of clean soil. Sample bottom of drilling pit, backfill + level only after OCD approves sample. Send per BLM. Notify OCD + BLM Before starting, file summary notice after closing will begin soon after approval of C-144 Final Closure 10/10/08

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Date 4/16/2008

Printed Name/Title Eddie W Seay Agent Signature Eddie W Seay

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations

Approval: Gerry Guye
Printed Name/Title Compliance Officer Signature Gerry Guye Date: APR 23 2008

Accepted for record
NMOCD

NOV 03 2008

Final Closure



OCT 31 2008
OCD-ARTESIA

October 29, 2008

NMOCD
ATTN: Jerry Guye
1301 W. Grand Ave.
Artesia, NM 88210

MW 1/2

RE: Burnett Oil Co.
Gissler A #31 API 30-015-36035
C-144 Final Closure

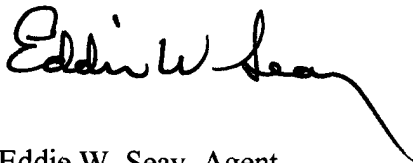
Mr. Guye:

We have finally completed the closing of the above listed pit under the old rule 50 as you approved.

All closure activities went as approved. We will seed locations soon.

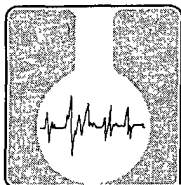
If you have any questions, please call.

Thanks,



Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

cc: Burnett Oil



ASSAIGAI ANALYTICAL LABORATORIES, INC.

4301 Masthead NE • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259

P.O. Box 90430 • Albuquerque, New Mexico 87199 • (800) 447-0327

DIAMONDBACK DISPOSAL SERVICES
attn: JUSTIN ROBERTS
P O BOX 2491
HOBBS NM 88241

Explanation of codes	
B	Analyte Detected in Method Blank
E	Result is Estimated
H	Analyzed Out of Hold Time
N	Tentatively Identified Compound
S	Subcontracted
1-9	See Footnote

STANDARD

Assaigai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: DIAMONDBACK DISPOSAL SERVICES
Project: BURNETT OIL /GISSLER A#31
Order: 08090667 DDS01 Receipt: 09-24-08


William P. Biava, President of Assaigai Analytical Laboratories, Inc.

Sample: TRENCH NORTH 20'BGS
Matrix: GRAB

Collected: 09-12-08 8:10:00 By: JR

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08090667-001A		SW846 9056 Anions by Ion Chromatography						By: LNS		
W08876	WC 2008.2381 10	16887-00-6	Chloride	45.3	mg/Kg	10	0.5		09-25-08	09-26-08

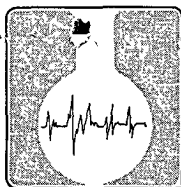
Sample: TRENCH SOUTH 20'BGS
Matrix: GRAB

Collected: 09-12-08 8:20:00 By: JR

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08090667-002A		SW846 9056 Anions by Ion Chromatography						By: LNS		
W08876	WC 2008 2381 11	16887-00-6	Chloride	47.6	mg/Kg	10	0.5		09-25-08	09-26-08

Unless otherwise noted, all samples were received in acceptable condition and all sampling was performed by client or client representative. Sample result of ND indicates Not Detected, ie result is less than the sample specific Detection Limit. Sample specific Detection Limit is determined by multiplying the sample Dilution Factor by the listed Reporting Detection Limit. All results relate only to the items tested. Any miscellaneous workorder information or footnotes will appear below.

Analytical results are not corrected for method blank or field blank contamination.



ASSAIGAI ANALYTICAL LABORATORIES, INC.

4301 Masthead NE • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259

P.O. Box 90430 • Albuquerque, New Mexico 87199 • (800) 447-0327

DIAMONDBACK DISPOSAL SERVICES
attn: JUSTIN ROBERTS
P O BOX 2491
HOBBS NM 88241

Explanation of codes

B	Analyte Detected in Method Blank
E	Result is Estimated
H	Analyzed Out of Hold Time
N	Tentatively Identified Compound
S	Subcontracted
1-9	See Footnote

Assaigai Analytical Laboratories, Inc.

STANDARD

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: DIAMONDBACK DISPOSAL SERVICES
Project: BURNETT OIL/ GISSLER A#31
Order: 08100046 DDS01 Receipt: 10-01-08

William P. Biava
William P. Biava President of Assaigai Analytical Laboratories, Inc.

Sample: RESERVE PIT NE 8' BGS
Matrix: GRAB

Collected: 09-30-08 15:10:00 By: JR
SR7288

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08100046-001A	WC 2008.2451 11	16887-00-6	Chloride	31.1	mg/Kg	10	0.5		10-02-08	10-02-08
SW846 9056 Anions by Ion Chromatography By: LNS										

Sample: RESERVE PIT NW 10' BGS
Matrix: GRAB

Collected: 09-30-08 15:15:00 By: JR
SR7289

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08100046-002A	WC 2008 2451 13	16887-00-6	Chloride	27.2	mg/Kg	10	0.5		10-02-08	10-02-08
SW846 9056 Anions by Ion Chromatography By: LNS										

Sample: RESERVE PIT SW 10' BGS
Matrix: GRAB

Collected: 09-30-08 15:19:00 By: JR
SR7290

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08100046-003A	WC 2008 2451 14	16887-00-6	Chloride	38.6	mg/Kg	10	0.5		10-02-08	10-02-08
SW846 9056 Anions by Ion Chromatography By: LNS										

Assaigai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: **DIAMONDBACK DISPOSAL SERVICES**
Project: **BURNETT OIL/ GISSLER A#31**
Order: **08100046 DDS01** Receipt: **10-01-08**

Sample: **RESERVE PIT SE 8' BGS** Collected: **09-30-08 15:30:00** By: **JR**
Matrix: **GRAB** SR7291

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
08100046-004A			SW846 9056 Anions by Ion Chromatography					By: LNS		
W08901	WC 2008.2451 15	16887-00-6	Chloride	38.8	mg/Kg	10	0.5		10-02-08	10-02-08

Unless otherwise noted, all samples were received in acceptable condition and all sampling was performed by client or client representative. Sample result of ND indicates Not Detected, ie result is less than the sample specific Detection Limit. Sample specific Detection Limit is determined by multiplying the sample Dilution Factor by the listed Reporting Detection Limit. All results relate only to the items tested. Any miscellaneous workorder information or footnotes will appear below.

Analytical results are not corrected for method blank or field blank contamination.

July 31, 2008

NMOCD
ATTN: Gerry Guye
1301 W. Grand Ave.
Artesia, NM 88210

RE: Burnett Oil Co.
Gissler A #31 API 30-015-36035
Pit Closure

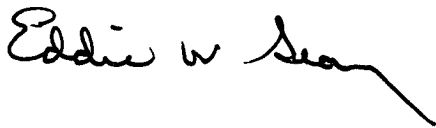
Mr. Guye:

Burnett is in receipt of the Letter of Violation on the above listed pit. Burnett has been trying to get this pit in condition to close, but the rains in June and July have hindered progress. Burnett has been hauling water off of the pit since January. (Haul tickets are enclosed.)

I would appreciate it if you would reconsider and allow us to close the pit as originally approved.

Your consideration would be appreciated.

Thanks,

A handwritten signature in black ink that reads "Eddie W. Seay". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Response Required – Deadline Enclosed

17-Jul-08

BURNETT OIL CO INC

PO Box 188

Loco Hills NM 88255

LOV NO. 2-08-123

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

GISSLER A No.031

O-14-17S-30E

30-015-36035-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/15/2008	Routine/Periodic	Ron Harvey	Yes	No	8/15/2008	iREH0819744158
Violations						
Emergency/Temporary Pits						

Comments on Inspection: No work has started on pit closure. Pit liner breached on west wall, violation of Rule 19.15 17
Operator must resubmit request for closure (Form C-144) and close pit within 30 days following approval.

Eddie W. Seay

From: "Guye, Gerry, EMNRD" <gerry.guye@state.nm.us>
To: <seay04@leaco.net>
Sent: Friday, July 18, 2008 8:51 AM
Subject: Gissler A No. 31

Eddie

A letter of violation has gone out on this well and I happened to notice that I approved a pit closure in April on this well. Please be advised that since no work has begun on the closure the approval is void under the new pit rule. You will have to resubmit under the new Rule 17.

Gerry Guye
Compliance Officer
NMOCD - Artesia
Office (505)748-1283x105
Mobile (505)626-0843
E-Mail: gerry.guye@state.nm.us

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

7/18/2008

Eddie W. Seay

From: "Guye, Gerry, EMNRD" <gerry.guye@state.nm.us>
To: <seay04@leaco.net>
Sent: Wednesday, August 13, 2008 12:14 PM
Subject: Burnett - Gissler A #31

Since the pit was approved for closure prior to the new pit rule and de-watering has begun the company is authorized to close the pit under rule 50. However the pit must be closed within 6 months of June 16, 2008.

Gerry Guye
Compliance Officer
NMOCD - Artesia
Office (505)748-1283x105
Mobile (505)626-0843
E-Mail: gerry.guye@state.nm.us

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

8/14/2008