

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -

ADMINISTRATIVE APPLICATION COVER SHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [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-In]ection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

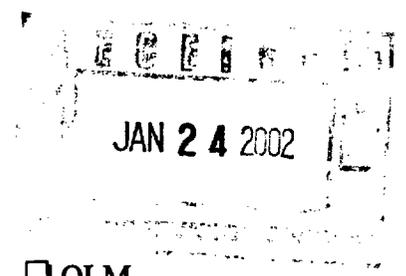
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling [X] NSL [ ] NSP [ ] DD [ ] SD

Check One Only for [B] and [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



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or [ ] Does Not Apply

- [A] [ ] Working, Royalty or Overriding Royalty Interest Owners [B] [X] 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] [X] For all of the above, Proof of Notification or Publication is Attached, and/or, [F] [ ] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

DEAN CHURBLEY Print or Type Name

Signature

AUTHORIZED AGENT Title

1-22-2002 Date

# P REMIER OIL AND GAS, INC.

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January 22, 2002

New Mexico Energy, Minerals, and  
Natural Resources Department  
Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87504

Attn: Engineering Bureau

RE: Application for Unorthodox Location  
Dale H. Parke "D" No. 10  
Unit I - Section 15-17S-30E  
Eddy County, New Mexico

(30-015-31201)

Gentlemen:

Premier Oil and Gas hereby requests administrative approval to drill our Dale H. Parke "D" No. 10 at an unorthodox location of 2480' FSL and 330' FEL in Section 15 of Township 17 South, Range 30 East. This well has been approved by the BLM to a depth of 6000 feet. If a successful well is completed, it would be a Loco Hills Paddock producer. The orthodox location impacted an existing Duke Energy high-pressure gas pipeline. The pipeline is a northwest to southeast route. Premier attempted a move to the south, but due to the angle of the pipeline, a southwardly move required impacting other proposed Paddock wells. Premier then moved to a location north of the pipeline, but unorthodox. Plans were then made to drill the orthodox location (Dale H. Parke D No. 11) first. This has been done and confirmed that a move to the south side of the gas line would impact drainage area of the Dale H. Parke "D" No. 11. Therefore, requiring submittal of this application. To aid in the review of this application, I have enclosed the following:

- A.) Dale H. Parke "D" No. 10 Form C-102
- B.) Offsetting Units Plat
- C.) Topographical Map of Area
- D.) Well Pad Layout Diagram

P.O. BOX 1246 • ARTESIA, NM 88210 • 422 WEST MAIN  
BUS. (505) 748-2093 • RES. (505) 748-2446

Please do not hesitate to contact us at (505)748-2093 if you find you need further information. Thank you for reviewing this application. We await your decision upon review.

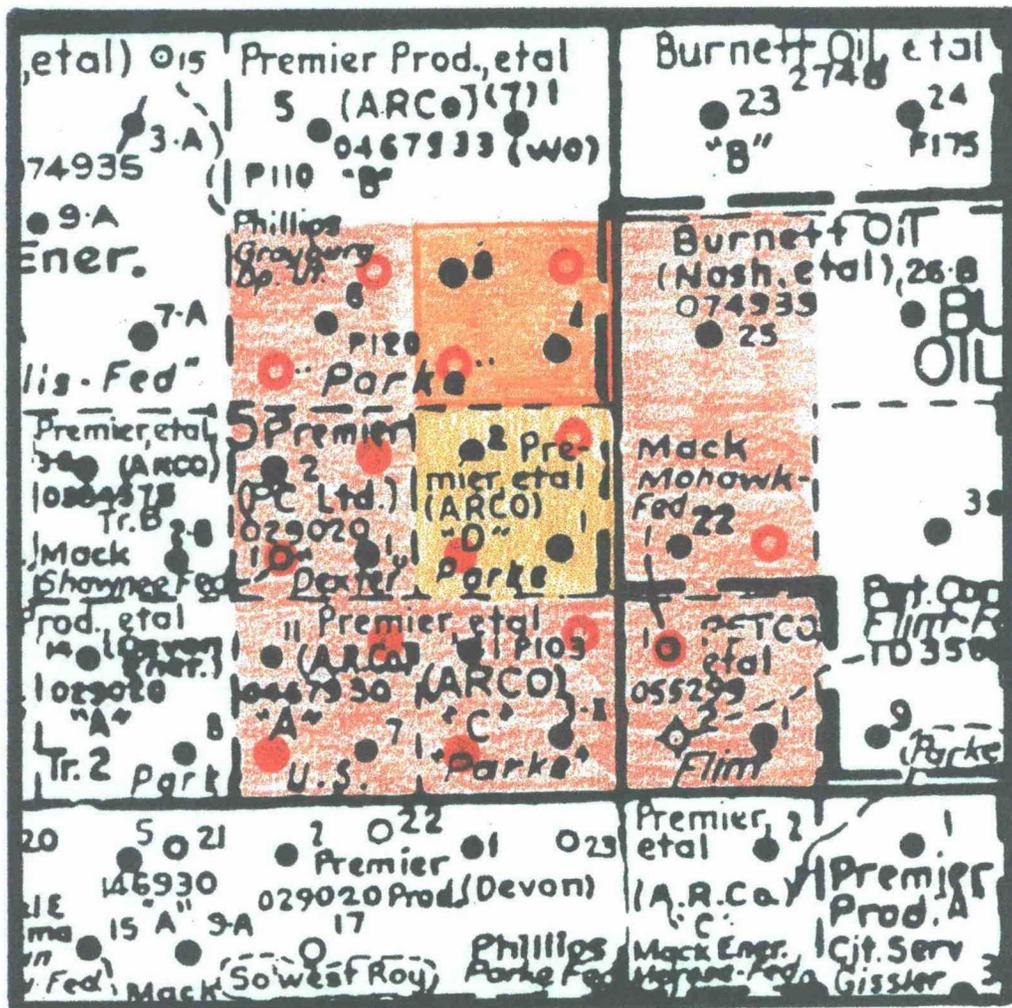
Sincerely,

A handwritten signature in black ink, appearing to read "Dean Chumbley". The signature is fluid and cursive, with a large initial "D" and "C".

Dean Chumbley  
Authorized Agent

DC/mm  
Enclosures

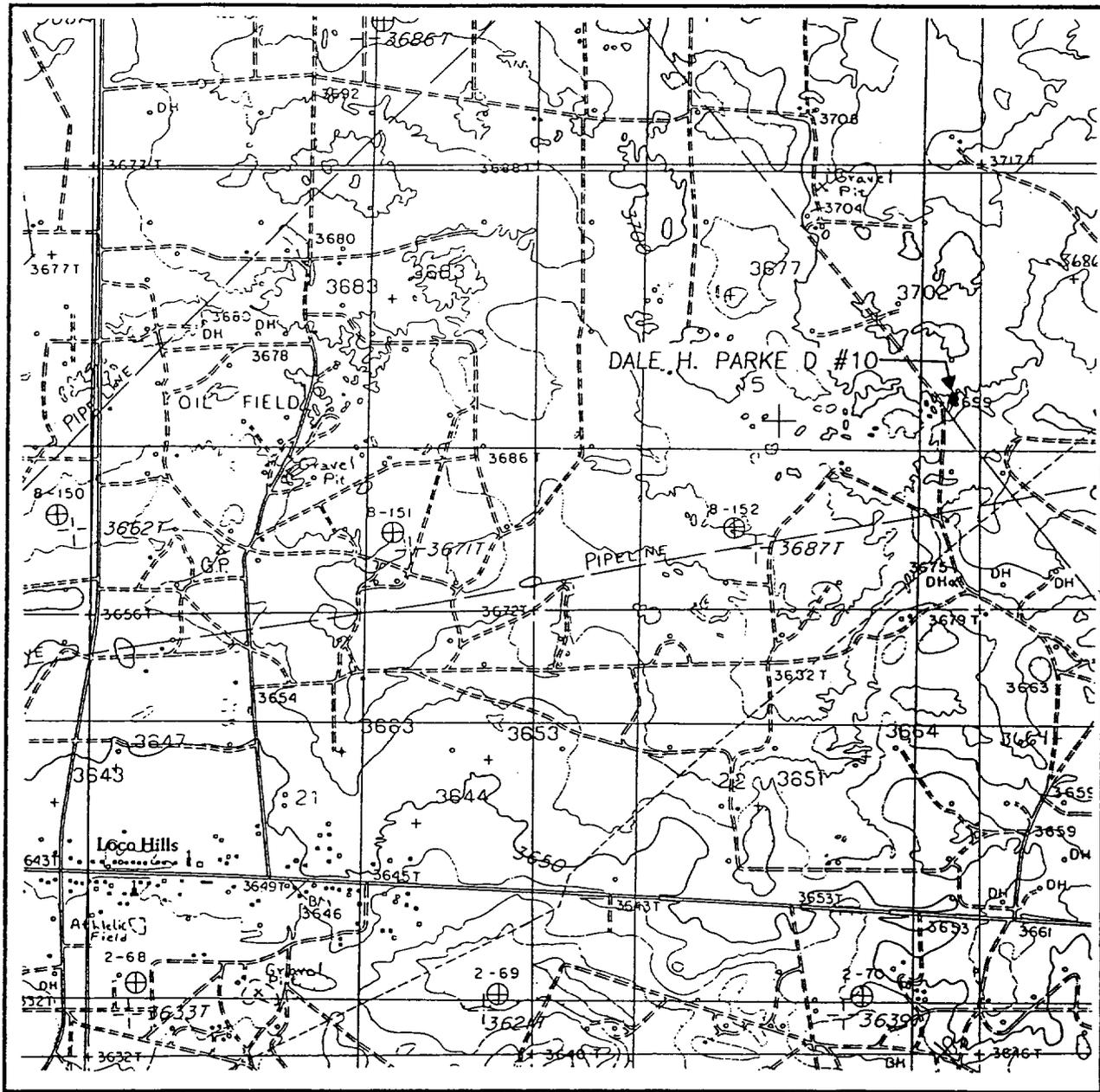




### OFFSETTING UNITS PLAT

-  Dale H Parke "D" No. 10
-  Loco Hills Paddock well
-  Offsetting Unit
-  Proposed Loco Hills Paddock well
-  Affected Unit

# LOCAT. ON VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
LOCAL HILLS, N.M. - 10'

SEC. 15 TWP. 17-S RGE. 30-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2480' FSL & 330' FEL

ELEVATION 3695

OPERATOR PREMIER OIL & GAS, INC.

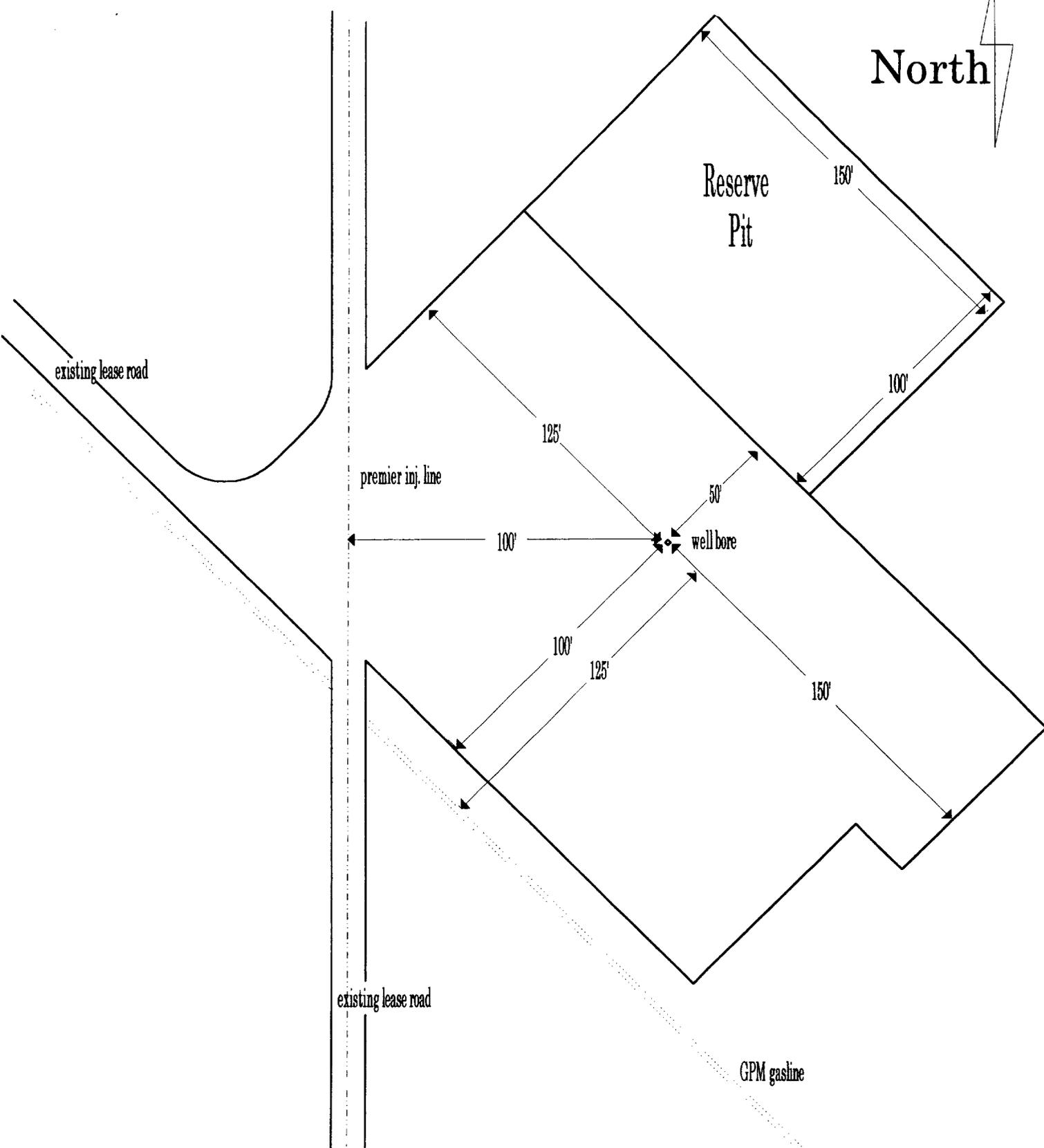
LEASE DALE H. PARKE D

U.S.G.S. TOPOGRAPHIC MAP

LOCAL HILLS, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505 393-3117)

North



DALE H. PARKE "D" No. 10  
2480' FSL & 330' FEL  
Section 15; T17S - R30E  
Eddy County, New Mexico

Exhibit Four

# **P**REMIER OIL AND GAS, INC.

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January 22, 2002

Chase Oil Corporation  
Post Office Box 1767  
Artesia, New Mexico 88211-1767

RE: Unorthodox Location Application  
Dale H. Parke "D" No. 10  
Section 15, Township 17 South, Range 30 East  
Eddy County, New Mexico

To Whom It May Concern:

Please be advised that Premier Oil and Gas, Inc. has submitted an Application with the NMOCD for approval to drill the above referenced well at an unorthodox location. A copy of the application is enclosed for your review. Any objections must be made in writing to the New Mexico Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505 within fifteen (15) days of receipt of this letter. If, upon review, you find you need further information, please contact us at 505-748-2093.

Thank you for your prompt attention to this matter.

Sincerely,



Dean Chumbley  
Authorized Agent

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DC/mm  
Enclosures

# P REMIER OIL AND GAS, INC.

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January 22, 2002

Burnett Oil Company  
801 Cherry Street, Suite 1500  
Fort Worth, Texas 76102

RE: Unorthodox Location Application  
Dale H. Parke "D" No. 10  
Section 15, Township 17 South, Range 30 East  
Eddy County, New Mexico

To Whom It May Concern:

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Thank you for your prompt attention to this matter.

Sincerely,



Dean Chumbley  
Authorized Agent

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DC/mm  
Enclosures

# **P**REMIER OIL AND GAS, INC.

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January 22, 2002

Bureau of Land Management  
2909 West Second Street  
Roswell, New Mexico 88201

RE: Unorthodox Location Application  
Dale H. Parke "D" No. 10  
Section 15, Township 17 South, Range 30 East  
Eddy County, New Mexico

To Whom It May Concern:

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Thank you for your prompt attention to this matter.

Sincerely,



Dean Chumbley  
Authorized Agent

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DC/mm  
Enclosures

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

01/28/02 10:18:  
OGOMES -TQ  
PAGE NO:

Sec : 15 Twp : 17S Rng : 30E Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A A A	A A A A	A A A A	A A A A
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A A A	A A A A	A A A A	A A A A

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CMD : ONGARD 01/28/02 10:19:  
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQ

OGRID Idn : 17985 API Well No: 30 15 31201 APD Status(A/C/P): A  
Opr Name, Addr: PREMIER OIL & GAS INC Aprvl/Cncl Date : 06-20-20  
PO BOX 1246  
ARTESIA,NM 88210

Prop Idn: 9379 DALE H PARKE D Well No: 10

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: I	15	17S	30E			FTG 2480 F S	FTG 330 F E
OCD U/L	: I		API County	: 15				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) :  
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3695

State Lease No: Multiple Comp (S/M/C) : S  
Prpsd Depth : 6000 Prpsd Frmtn : LOCO HILLS PADDOCK

E0009: Enter data to modify record

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

01/28/02 10:19:  
OGOMES -TQ

API Well No : 30 15 31214 Eff Date : 10-12-2001 WC Status : A  
Pool Idn : 96718 LOCO HILLS; PADDOCK  
OGRID Idn : 17985 PREMIER OIL & GAS INC  
Prop Idn : 9379 DALE H PARKE D

Well No : 011  
GL Elevation: 3694

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: I	15	17S	30E	FTG 1700 F S	FTG 980 F E	P

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 01/28/02 10:19:  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TQ  
Page No :

API Well No : 30 15 31214 Eff Date : 10-12-2001  
Pool Idn : 96718 LOCO HILLS; Paddock  
Prop Idn : 9379 DALE H PARKE D Well No : 01  
Spacing Unit : 55252 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

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S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
			I	15	17S 30E	40.00	N	FD		

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E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD :  
OG6IPRD

ONGARD  
INQUIRE PRODUCTION BY POOL/WELL

01/28/02 10:20:  
OGOMES -TQ  
Page No:

OGRID Identifier : 17985 PREMIER OIL & GAS INC  
Pool Identifier : 96718 LOCO HILLS; PADDOCK  
API Well No : 30 15 31214 Report Period - From : 01 2000 To : 12 2001

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Production Oil	Production Water	We St
30 15 31214		10 01	19	1750	1716	12644	
30 15 31214	DALE H PARKE D	11 01	30	3668	4202	11852	P

Reporting Period Total (Gas, Oil) : 5418 5918 24496

M0025: Enter PF keys to scroll

PF01 HELP    PF02    PF03 EXIT    PF04 GoTo    PF05    PF06 CONFIRM  
PF07 BKWD    PF08 FWD    PF09    PF10 NXTPOOL    PF11 NXTOGD    PF12