

DATE IN <u>6.17.11</u>	SUSPENSE	ENGINEER <u>DB</u>	LOGGED IN <u>6.17.11</u>	TYPE <u>NSL</u>	APP NO. <u>1116848128</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



*Premier Oil & Gas*  
*Dale H. Parke C #24*

## ADMINISTRATIVE APPLICATION CHECKLIST

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.

Kenneth C Jones  
Print or Type Name

Kenneth Jones  
Signature

President  
Title

6/17/11  
Date

Ken.Jones@premieroilgas.com  
e-mail Address

**Warnell, Terry G, EMNRD**

---

**To:** ken.jones@premieroilgas.com  
**Subject:** RE: Administrative Application Checklist - Parke C-24

No problem

That was easy

Your application has been entered into the OCD data base as Application No. **pTGW1116848128**

David Brooks will work on it after the 20 day objection period

**Thank you**

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**From:** Ken Jones [<mailto:ken.jones@premieroilgas.com>]  
**Sent:** Friday, June 17, 2011 1:27 PM  
**To:** Warnell, Terry G, EMNRD  
**Subject:** Administrative Application Checklist - Parke C-24

Terry,

I have attached a completed Administrative Application Checklist. I apologize about the inconvenience.

Please let me know if the application requires any further information.

Many Thanks,

Ken

**Kenneth C. Jones**  
**President**  
**Premier Oil & Gas Inc.**  
**901 Waterfall Way Suite 205**  
**Richardson, TX 75080**  
**email: [ken.jones@premieroilgas.com](mailto:ken.jones@premieroilgas.com)**  
**ph: (972) 470-0228**  
**cell: (214) 543-3688**  
**fax: (866) 515-8327**

17985  
PTGW 1116848128  
**P**REMIER OIL AND GAS, INC.

RECEIVED OGD

2011 JUN 17 A 11:48

Certified Receipt Return

June 27, 2011

Oil Conservation Division  
1220 St. Francis Drive  
Santa Fe, New Mexico 87504

Attention: Mr. David Brooks

Re: Unorthodox Location  
Administrative Approval Request  
Dale H. Parke C #24  
280' FNL & 330' FWL  
Section 15, T-17S R-30E  
Eddy County, New Mexico

Not The  
Same on  
C-102

Eddy / Fed

Loco Hills; Glorietta-Yeso

(9/7/18)

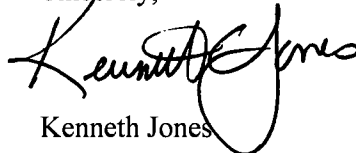
Dear Mr. Brooks:

Premier Oil & Gas, Inc. requests approval for the Dale H. Parke C #24 unorthodox location described above. The well is unorthodox because there is a buried pipeline to the south. The well will be completed in the Loco Hills; Glorietta-Yeso formation. This location was deemed the best alternative to the original location. This well is in the NW/NW of Section 23 and is unorthodox to the SW/SW of Section 14. It is only 50' feet unorthodox putting it 280' feet off the affected proration units.

Notice will be given to the operators in the Loco Hills; Glorietta-Yeso formation. Premier Oil & Gas, Inc. is the operator of the affected proration NW/NW of Section 23. COG Operating LLC is the operator of the SW/SW affected proration unit of Section 14 and the SW/NW of Section 23. Burnett Oil is the operator of the SE/SW of Section 14. Apache Corporation is operator of the SE/NE of Section 22. COG Operating LLC, Burnett Oil, and Apache Corporation will all be notified by mail with a Certified Return Receipt and also be notified by fax. Enclosed is a copy of form C-102 showing the location and proposed proration unit along with a copy of a letter giving notification to COG Operating LLC. Also, enclosed is a map showing affected spacing unit(s).

Thank you for your help in this matter.

Sincerely,

  
Kenneth Jones

Attachments

DISTRICT I  
1625 N FRENCH DR., BOBBS, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II  
1301 W GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Revised October 12, 2005  
Submit to Appropriate District Office

State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S ST FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-015-37278</b>	Pool Code <b>96718</b>	Pool Name <b>loco hills; glorieta yeso</b>
Property Code	Property Name <b>DALE H PARKE C</b>	Well Number <b>24</b>
OGRID No. <b>17985</b>	Operator Name <b>Premier Oil and Gas, Inc.</b>	Elevation <b>3678'</b>

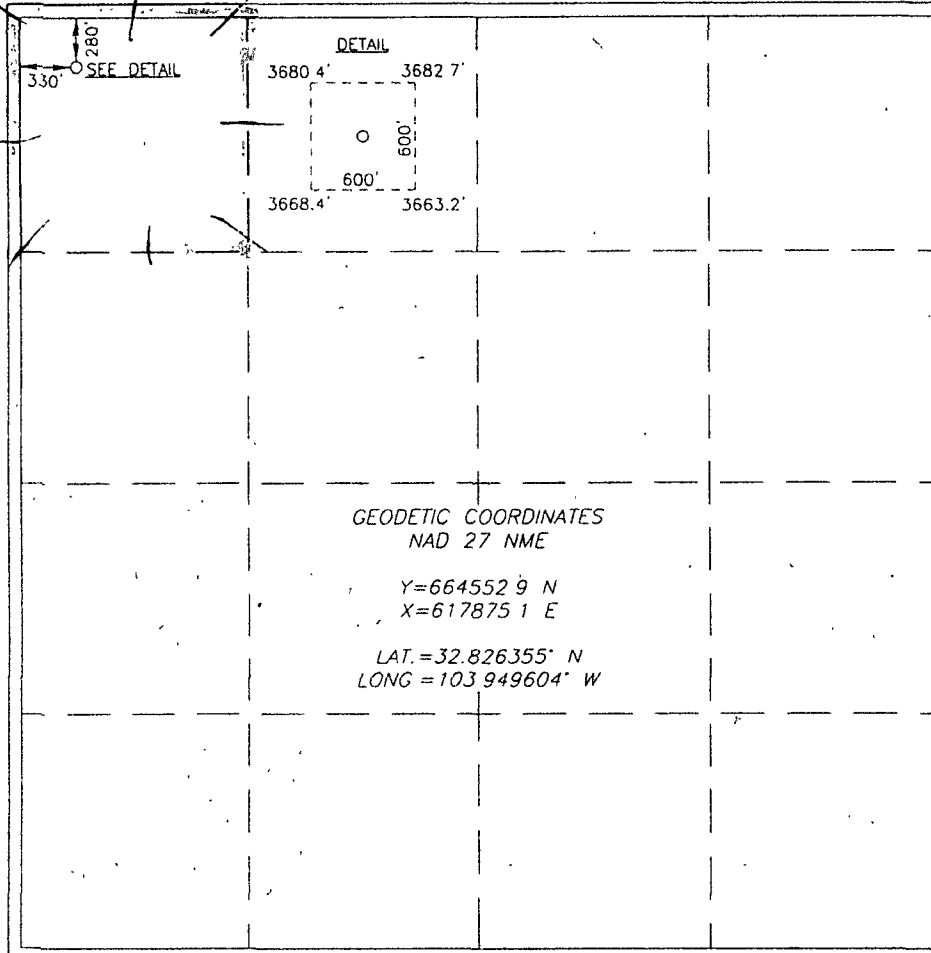
Surface Location

UL or lot No. <b>D</b>	Section <b>23</b>	Township <b>17-S</b>	Range <b>30-E</b>	Lot Idn	Feet from the <b>280</b>	North/South line <b>NORTH</b>	Feet from the <b>330</b>	East/West line <b>WEST</b>	County <b>EDDY</b>
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

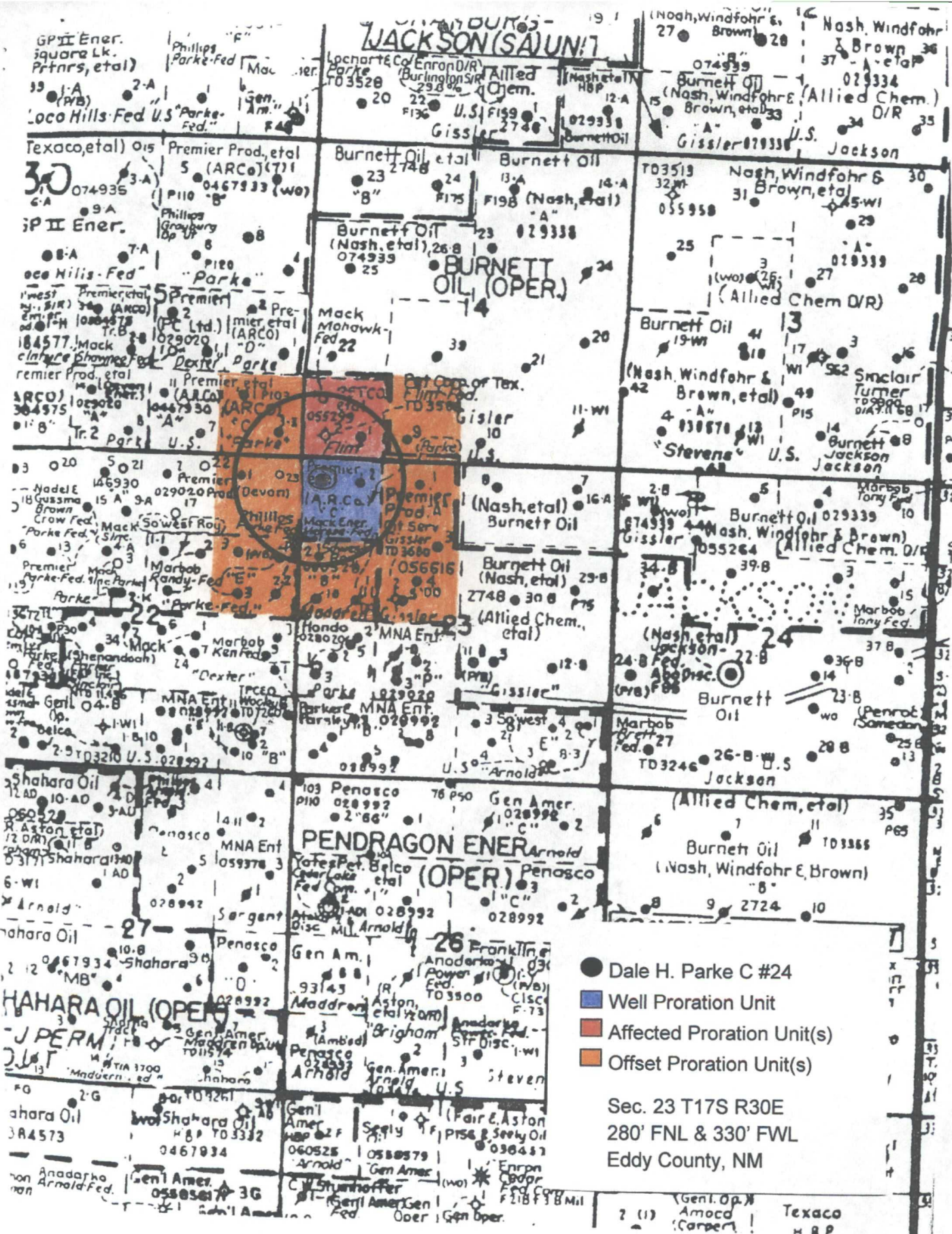
I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Signature: *William Miller* Date: **9/19/08**  
Printed Name: **William Miller**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed: **9/19/08**  
Signature & Seal of Professional Surveyor: *Ronald J. Eidson*  
Certificate No. **GARY EIDSON 12641**  
**RONALD J. EIDSON 3239**



● Dale H. Parke C #24

■ Well Proration Unit

■ Affected Proration Unit(s)

■ Offset Proration Unit(s)

Sec. 23 T17S R30E  
280' FNL & 330' FWL  
Eddy County, NM



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

June 6, 2011

Fax & Certified Mail

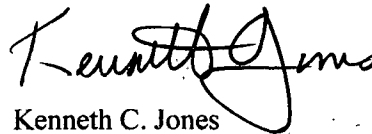
Burnett Oil Co., Inc.  
Burnett Plaza- Suite 1500  
801 Cherry Street- Unit #9  
Fort Worth, TX 76102-6881

Re: Unorthodox Location  
Offset Operator Notice  
Dale H. Parke C #24  
280' FNL & 330' FWL  
Section 23 T-17S R-30E  
Eddy County, New Mexico

Mr. David Rhodes:

Burnett Oil Co., Inc. is the operator/owner of leasehold within the notice area of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with New Mexico Oil Conservation Division (NMOCD) in Santa Fe within 20 days of this notice. If you have any questions regarding our application please contact me.

Sincerely,



Kenneth C. Jones  
Premier Oil & Gas Company

Attachments



**FAX TRANSMISSION**

**TO: DAVID RHODES  
COMPANY: BURNETT OIL  
FAX NUMBER: 817-332-7832  
BUSINESS NUMBER: 817-332-5108**

**FROM: PREMIER OIL & GAS INC.  
FAX NUMBER: 866-515-8327  
BUSINESS NUMBER: 972-470-0228**

**DATE: JUNE 6, 2011  
PAGES INCLUDING COVER: 5  
RE: PARKE C #24**

**COMMENTS: PLEASE SEE UNORTHODOX LOCATION LETTER**

FAX HEADER 1:  
FAX HEADER 2:

DATE	TIME	ADDRESS	MODE	TIME	PAGE	RESULT	USER NAME	FILE
JUN. 6.	11:38AM	8173327832	G3ES	0'52"	P.	5 OK		4277

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burnett Oil Co., Inc.  
Burnett Plaza Suite 1500  
801 Cherry St - Unit #9  
74. Worth, TX 76102-6881

2. Article Number  
(Transfer from service label)

7010 3090 0001 6982 8446

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*M. Berger*

☒ Agent

☐ Addressee

B. Received by (Printed Name)

*M. Berger*

C. Date of Delivery

*6/7/11*

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

P : POLLING  
E : ECM  
O : 300dpi  
+ : REDUCTION  
+ : ROUTING

**U.S. Postal Service<sup>TM</sup>  
CERTIFIED MAIL<sup>TM</sup> RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage \$

Certified Fee

Return Receipt Fee  
(Endorsement Required)

Restricted Delivery Fee  
(Endorsement Required)

Total Postage & Fees \$

Postmark  
Here

Sent To

*Burnett Oil Co.*

Street, Apt. No.,  
or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

7010 3090 0001 6982 8446



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

June 6, 2011

Fax & Certified Mail

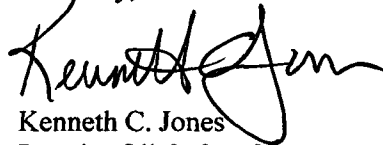
Apache Corporation- Permian Basin  
303 Veterans Airpark Lane  
Suite 3000  
Midland, TX 79705

Re: Unorthodox Location  
Offset Operator Notice  
Dale H. Parke C #24  
280' FNL & 330' FWL  
Section 23 T-17S R-30E  
Eddy County, New Mexico

Gentlemen:

Apache Corporation is the operator/owner of leasehold within the notice area of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with New Mexico Oil Conservation Division (NMOCD) in Santa Fe within 20 days of this notice. If you have any questions regarding our application please contact me.

Sincerely,



Kenneth C. Jones  
Premier Oil & Gas Company

Attachments



**FAX TRANSMISSION**

**TO:**

**COMPANY: APACHE CORPORATION – PERMIAN BASIN**

**FAX NUMBER: 432-818-1190**

**BUSINESS NUMBER:**

**FROM: PREMIER OIL & GAS INC.**

**FAX NUMBER: 866-515-8327**

**BUSINESS NUMBER: 972-470-0228**

**DATE: JUNE 6, 2011**

**PAGES INCLUDING COVER: 5**

**RE: PARKE C #24**

**COMMENTS: PLEASE SEE UNORTHODOX LOCATION LETTER**

\* \* \* TRANSMISSION RESULT REPORT (IMMEDIATE TX) ( JUN. 6. 2011 11:38AM ) \* \* \*

FAX HEADER 1:  
FAX HEADER 2:

DATE	TIME	ADDRESS	MODE	TIME	PAGE	RESULT	USER NAME	FILE
JUN. 6.	11:36AM	4328181190	G3ES	1'02"	P.	5 OK.		4276

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Apache Corp- Permian  
303 Veterans Airpark Ln  
Suite 3000  
Midland, TX 79705

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

Sondra Murry

☐ Agent☐ Addressee

## B. Received by (Printed Name)

Sondra Murry

## C. Date of Delivery

6-8-11

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

## 3. Service Type

☐ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

## 4. Restricted Delivery? (Extra Fee)

☒ Yes

## 2. Article Number

(Transfer from service label)

7010 3090 0001 6982 8439

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

# : BATCH  
M : MEMORY  
S : STANDARD  
U : SUPER F  
I : REMOTE  
Q : RECEIPT

U.S. Postal Service™  
**CERTIFIED MAIL™ RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information, visit our website at [www.usps.com](http://www.usps.com)**OFFICIAL USE**

Postage

\$

Certified Fee

Return Receipt Fee  
(Endorsement Required)Restricted Delivery Fee  
(Endorsement Required)

Total Postage &amp; Fees

\$

Postmark  
Here

Sent To

Apache Corp- Permian

Street, Apt. No.,  
or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

7010 3090 0001 6982 8439

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

June 6, 2011

Fax & Certified Mail

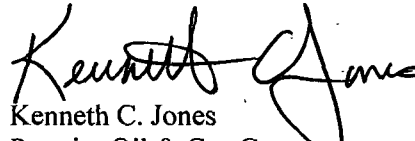
COG Operating LLC  
Fasken Center, Tower II  
550 West Texas Ave., Suite 1300  
Midland, TX 79701

Re: Unorthodox Location  
Offset Operator Notice  
Dale H. Parke C #24  
280' FNL & 330' FWL  
Section 23 T-17S R-30E  
Eddy County, New Mexico

Gentlemen:

COG Operating LLC is the operator/owner of leasehold within the notice area of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with New Mexico Oil Conservation Division (NMOCD) in Santa Fe within 20 days of this notice. If you have any questions regarding our application please contact me.

Sincerely,

  
Kenneth C. Jones  
Premier Oil & Gas Company

Attachments



**FAX TRANSMISSION**

**TO:**

**COMPANY: CONCHO RESOURCES**

**FAX NUMBER: 432-683-7441**

**BUSINESS NUMBER:**

**FROM: PREMIER OIL & GAS INC.**

**FAX NUMBER: 866-515-8327**

**BUSINESS NUMBER: 972-470-0228**

**DATE: JUNE 6, 2011**

**PAGES INCLUDING COVER: 5**

**RE: PARKE C #24**

**COMMENTS: PLEASE SEE UNORTHODOX LOCATION LETTER**

FAX HEADER 1:  
FAX HEADER 2:

DATE	TIME	ADDRESS	MODE	TIME	PAGE	RESULT	USER NAME	FILE
JUN. 6.	10:43AM	4326837441	G3ES	1:07"	P.	5 OK		4273

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>[Signature]</i> C. Date of Delivery <i>6-8-11</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <p><b>COG Operating LLC</b> <b>Fasken Center, Tower II</b> <b>550 West Texas Ave.</b> <b>Suite 1300</b> <b>Midland, TX 79701</b></p>	<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number</p> <p>(Transfer from service label)</p>	<p>7010 3090 0001 6982 8422</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

# : BATCH  
M : MEMORY TX  
S : STANDARD  
U : SUPER FINE  
! : REMOTE TRAN  
Q : RECEIPT NOT

U.S. Postal Service<sup>TM</sup>

**CERTIFIED MAIL<sup>TM</sup> RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Sent To **COG OPERATING**

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7010 3090 0001 6982 8422

**Brooks, David K., EMNRD**

---

**From:** Brooks, David K., EMNRD  
**Sent:** Friday, July 08, 2011 4:12 PM  
**To:** 'ken.jones@premieroilgas.com'  
**Subject:** Dale H. Parke C #24; NSL Application

Dear Mr. Jones

The units toward which this proposed unorthodox location encroaches are the SW/4 SW/4 of Section 14 and the SE/4 SE/4 of Section 15. You have correctly identified COG as operator of the SW/4 SW/4 of Section 14 and given them notice.

Apparently Premier is operator of the SE/SE of Section 15. Where the applicant is the operator of an offsetting tract, notice is required to working interest owners in that tract unless the applicant owns 100% of the working interest, or the working interest ownership in the offset tract is identical to the working interest ownership in the tract where the subject well will be located.

Please advise if either of the exceptions applies, and, if not, if any other working interest owners in the SE/SE of Section 15 have been notified.

Sincerely

David K. Brooks  
Legal Examiner



## Brooks, David K., EMNRD

---

**From:** Ken Jones [ken.jones@premieroilgas.com]  
**Sent:** Monday, July 11, 2011 7:25 AM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: Dale H. Parke C #24; NSL Application

Hi David,

I'm sorry for not clarifying this issue in my letter but the SE/4 SE/4 of Section 15 is also the Parke C lease which is an 80 acre lease including the unorthodox tract and location (NW/4 NW/4 of Section 23). All WI owners are the same for both 40 acre tracts therefore no formal notification is required (obviously they already know).

Regards,

Ken

Kenneth C. Jones  
President  
Premier Oil & Gas Inc.  
901 Waterfall Way Suite 205  
Richardson, TX 75080  
email: [ken.jones@premieroilgas.com](mailto:ken.jones@premieroilgas.com)  
ph: (972) 470-0228  
cell: (214) 543-3688  
fax: (866) 515-8327

---

**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Friday, July 08, 2011 5:12 PM  
**To:** [ken.jones@premieroilgas.com](mailto:ken.jones@premieroilgas.com)  
**Subject:** Dale H. Parke C #24; NSL Application

Dear Mr. Jones

The units toward which this proposed unorthodox location encroaches are the SW/4 SW/4 of Section 14 and the SE/4 SE/4 of Section 15. You have correctly identified COG as operator of the SW/4 SW/4 of Section 14 and given them notice.

Apparently Premier is operator of the SE/SE of Section 15. Where the applicant is the operator of an offsetting tract, notice is required to working interest owners in that tract unless the applicant owns 100% of the working interest, or the working interest ownership in the offset tract is identical to the working interest ownership in the tract where the subject well will be located.

Please advise if either of the exceptions applies, and, if not, if any other working interest owners in the SE/SE of Section 15 have been notified.

Sincerely

David K. Brooks