

DATE IN <u>4-30-10</u>	SUSPENSE	ENGINEER <u>DB.</u>	LOGGED IN <u>4/30/10</u>	TYPE <u>NSL</u>	APP NO. <u>1012046674</u>
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ATGW

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
 0006203
 2010 APR 30 Dale H. Farke ATR #38

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.

Rosalie Jones Rosalie Jones President 04/28/10
 Print or Type Name Signature Title Date
rosalie@premieroilgas.com
 e-mail Address

Premier Oil & Gas, Inc.

P.O. Box 1246
Artesia, NM 88211-1246

Certified Receipt Return

April 27, 2010

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

Attention: Mr. David Brooks

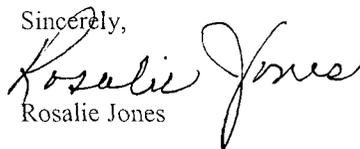
RE: Unorthodox Location
Administrative Approval Request
Dale H. Parke A Tr 1 #38
1040' FSL & 2310' FEL
Section 15, T-17S R-30E
Eddy County, New Mexico

Dear Mr. Brooks:

Premier Oil & Gas, Inc. requests approval for the Dale H. Parke A Tr 1 #38 unorthodox location described above. The well is unorthodox because there is an existing shallow well at the surface location and a Chevron 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 SW/SE and is unorthodox to the NW/SE and NE/SW of Section 15 T17S R30E. It is only 50' feet unorthodox putting it 280' feet off of 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 NE/SW. COG Operating LLC is the operator of the NW/SE proration unit. COG Operating LLC will be notified with 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,

Rosalie Jones

Attachments

State of New Mexico

Energy, Minerals and Natural Resources Department

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

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

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

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-37796	Pool Code <input checked="" type="checkbox"/> 96718	Pool Name LOCO HILLS; GLORIETA-YESO
Property Code	Property Name DALE H PARKE A TR 1	Well Number 38
OGRID No. 17985 <input checked="" type="checkbox"/>	Operator Name PREMIER OIL & GAS, INC.	Elevation 3694'

Surface Location

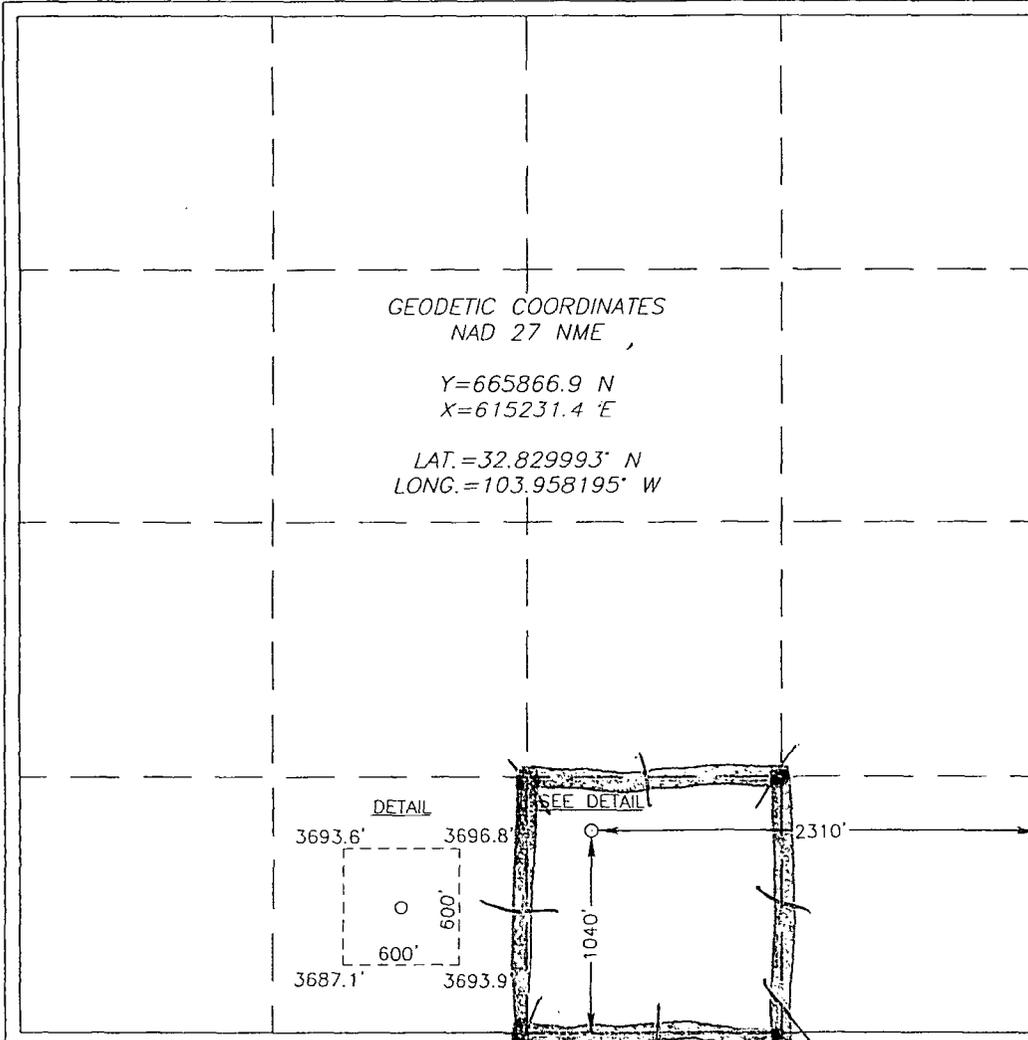
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	15	17-S	30-E		1040	SOUTH	2310	EAST	EDDY

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 40	Joint or Infill	Consolidation Code	Order No.
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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.

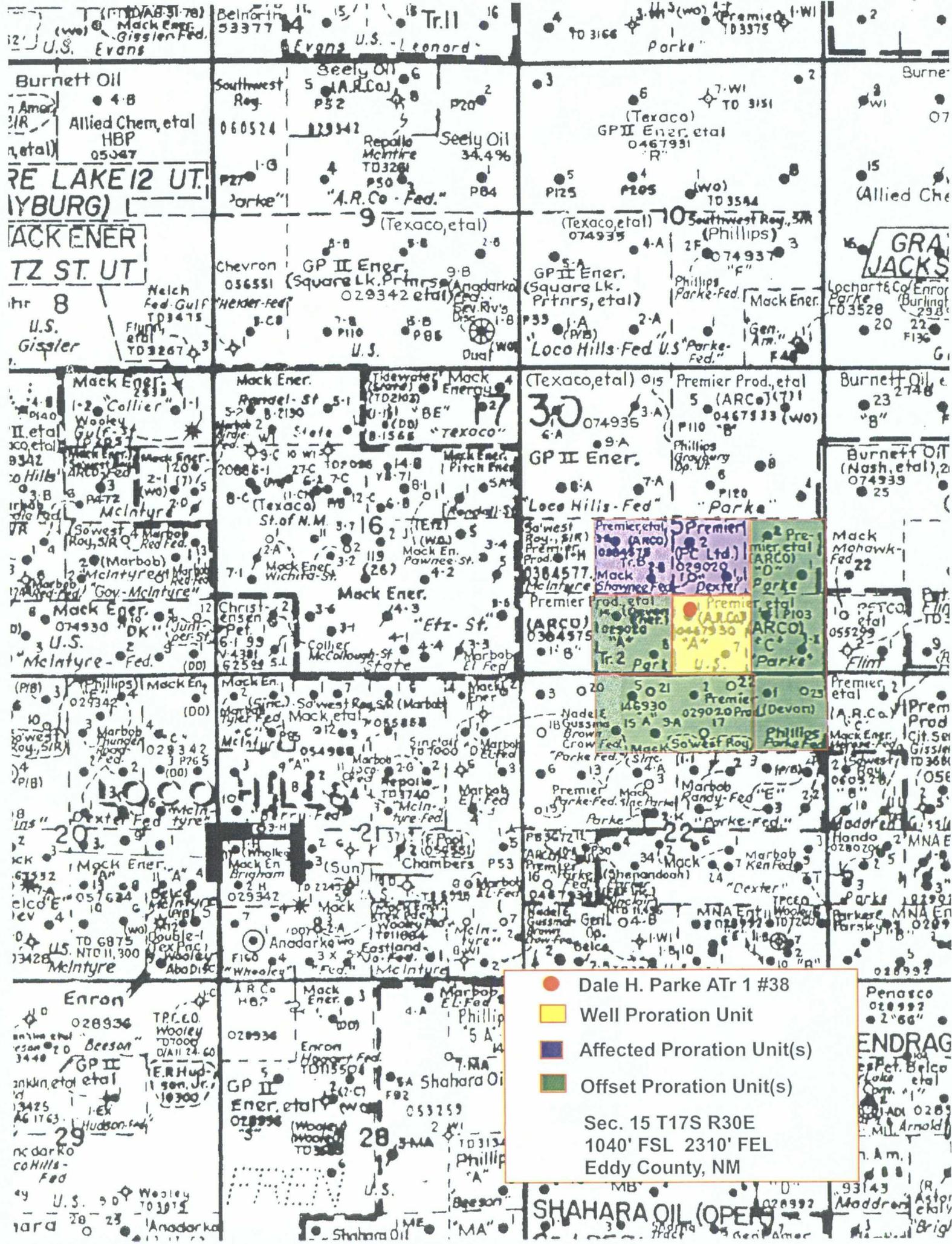
Nancy T. Agnew 10/27/10
Signature Date
NANCY T. AGNEW
Printed Name

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.

RONALD J. EIDSON
JANUARY-MAY 2010
Date Surveyed
Signature & Seal of Professional Surveyor
Ronald J. Eidson 10/19/2010
10.11.0056

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239



● Dale H. Parke ATR 1 #38
 Well Proration Unit
 Affected Proration Unit(s)
 Offset Proration Unit(s)

Sec. 15 T17S R30E
 1040' FSL 2310' FEL
 Eddy County, NM

SHAHARA OIL (OPEN)

ENDRAG
 Penasco
 028992
 "266"
 MNA Ent
 028992
 "A"
 "B"
 "C"
 "D"
 "E"
 "F"
 "G"
 "H"
 "I"
 "J"
 "K"
 "L"
 "M"
 "N"
 "O"
 "P"
 "Q"
 "R"
 "S"
 "T"
 "U"
 "V"
 "W"
 "X"
 "Y"
 "Z"

Premier Oil & Gas, Inc.

P.O. Box 1246
Artesia, NM 88211-1246

April 6, 2009

Fax & Certified Mail

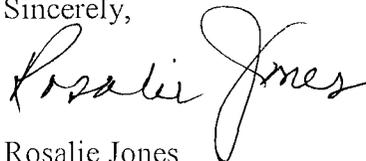
COG Operating LLC
Fasken Center, Tower II
550 West Texas Ave., Suite 1300
Midland, TX 79701

RE: Unorthodox Location
Offset Operator Notice
Dale H. Parke A Tr 1 #38
1040' FSL & 2310' FEL
Section 15 T-17S R-30E
Eddy County, New Mexico

Mr. Robert Ready:

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,



Rosalie Jones
Premier Oil & Gas Inc.

/wm
Attachments