

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M.

311 S. St.

Albuquerque, N.M.

10-2834

FORM APPROVED

Budget Bureau No. 1004 0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

NMLC056616B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Gissler "A" #4

9. API Well No.

30-015-04282

10. Field and Pool, or Exploratory Area

Loco Hills Paddock

11. County or Parish, State

Eddy, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Premier Oil & Gas, Inc.

3. Address and Telephone No.

P.O. Box 1246, Artesia, NM 88210

505-748-2093

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

Unit F: 1980' FNL & 1980' FWL; Sec 23 T-17S R-30E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other surface commingling

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)⁴

See Attached letter, schematic diagram of production facility and map.

14. I hereby certify that the foregoing is true and correct

Signed

David R. Glass

Title

President

Date

05/27/98

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) DAVID R. GLASS

Title

PETROLEUM ENGINEER

Date

JUN 05 1998

Conditions of approval, if any:

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 and to attempt to do so.

*See Instruction on Reverse Side

P REMIER OIL AND GAS, INC.

May 27, 1998

Bureau of Land Management
Roswell District
Attention: Mr. Les Babyak
2909 West Second Street
Roswell, NM 88201

RE: Gissler "A" #1 & #4
Surface Commingling Approval

Dear Mr. Babyak:

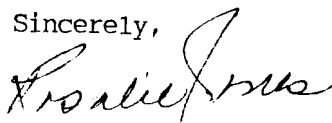
This letter requests approval to surface commingle the oil from the recently completed Gissler "A" #4 well producing from the Loco Hills Paddock pool into one facility located at the Gissler "A" #1 well, which produces from the Grayburg Jackson Pool. As you can see from the enclosed map of our Dale H. Parke Waterflood, the Gissler #1 and #4 wells are part of the same Federal Lease, and are the only producing wells on this lease. Also, enclosed is a schematic diagram of the Gissler "A" tank battery. An additional heater treater and production tank have been set to handle the Gissler #4 production.

The Gissler #1 oil well does not produce any gas, and has never been hooked up to a gas line since we've operated this waterflood - June, 1989. GPM has set their meter to purchase the gas from the Gissler #4. At the initial test, 4/6/98, it produced 81 MCF per day, and is now producing approximately 45 MCF per day. The initial gas analysis from GPM, tested 1.4417 BTU @ 14.65. The Gissler #1 well has consistently produced 5 bls oil per day for several years. The initial oil test on the Gissler #4 was 78 bls per day, and is now producing approximately 40 bls per day. Navajo Refining Co. has tested the gravity content of this oil to be approx. 38.1.

Premier Oil & Gas is the primary working interest owner of this lease with one other WI owner involved, and that owner has been advised. There are no RI owners except for MMS. Since the net revenue interest remains the same within this lease, there is obviously no discrepancy.

It was economically sound for Premier to make use of the production facility already in existence rather than to build another facility. Therefore, Premier requests approval of this surface commingling of these two pools. Please advise if any other information is needed. Thank you.

Sincerely,

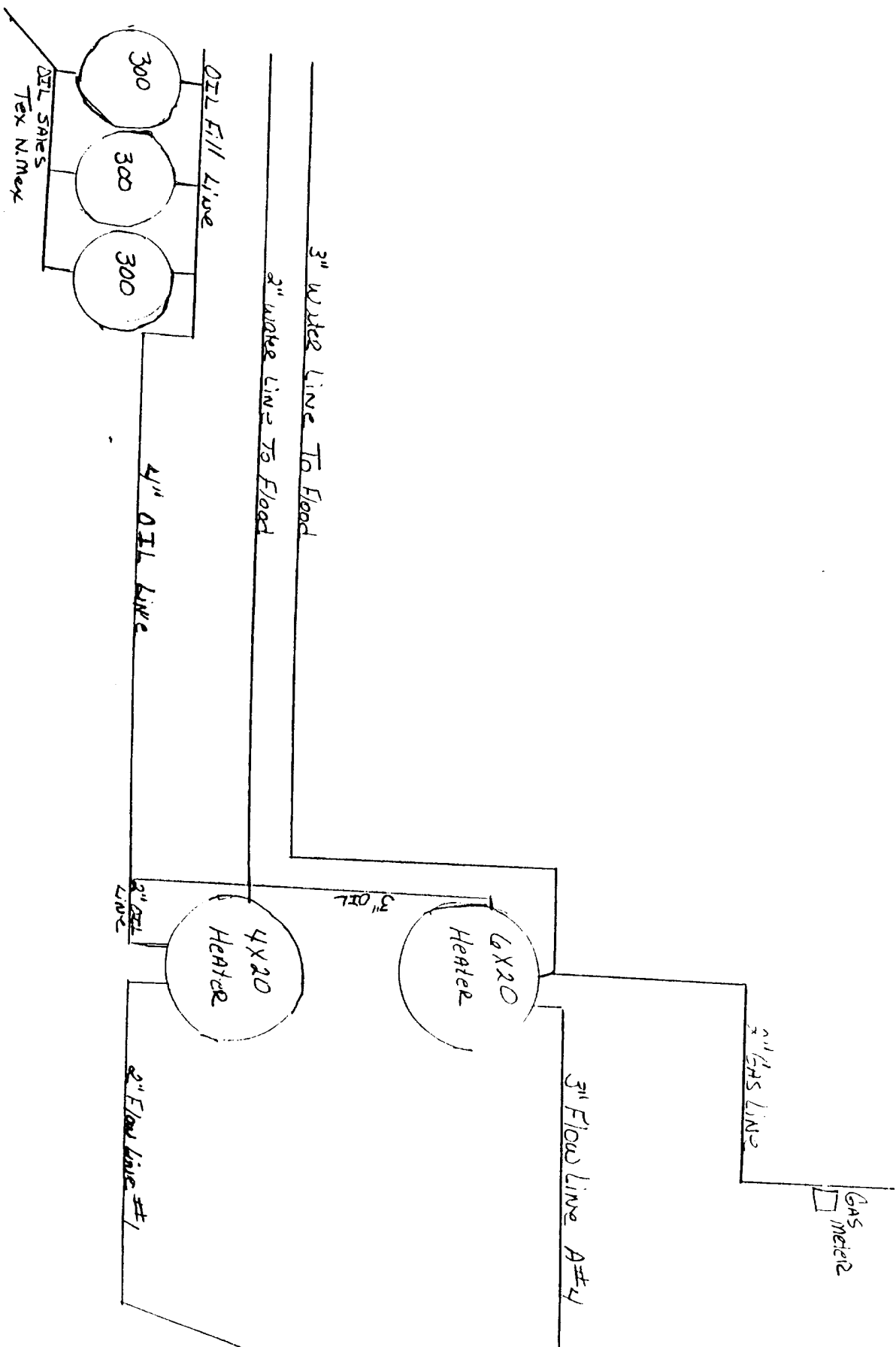


Rosalie Jones

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

4-98

Gisslee Battery Renier



18

N.M. 0467933
LAND# 24015-00
PROP# 0-024278-01

N.M. 0384878
LAND# 24013-1 -00
PROP# 0-024278-00

Parke "B" Tract "C"

PROP#
0-024278-08

LC 0290200
- LAND# 24012-00
PROP# 0-024278-08

Dexter

Parke "D"

Tr.2
LC 029020-A
LAND# 24010-00

Tr. 1

LC 029020-C
LAND# 24011-00
PROP# 0-024278-07

Parke "B" Tr. "B"

Parke "A"

Parke "A"

Park 'C'

N.M. 0467930
LAND# 24014-00
PROP# 0-024276-06

Parke "A" Tr. 1

Parko "C"

PROP #
0-024278-04

Glosser "A"

T-17-S
R-30-E