

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. Division
S. 1st Street
Artesia, NM 88210-2834

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NMLC056616B
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Premier Oil & Gas, Inc.		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 1246, Artesia, NM 88210		8. FARM OR LEASE NAME Gissler "A" #4
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface Unit F: 1980' FNL & 1980' FWL Same		9. WELL NO. 30-015-04282
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 1 mile east of Loco Hills & 1/2 mile north of Hwy 82		10. FIELD AND POOL, OR WILDCAT Loco Hills Paddock
16. NO. OF ACRES IN LEASE 80	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 23, T-17S R-30E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1540'	19. PROPOSED DEPTH 4850'	12. COUNTY OR PARISH Eddy
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3661' DF		13. STATE NM
22. APPROX. DATE WORK WILL START* 08/01/99		

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT

Premier Oil & Gas proposes to temporarily abandon the Loco Hills Paddock and recomplete in the San Andres as follows:

First Stage:

1. Place temporary bridge plug @ 4450' w/10' of sand.
2. Perforate 4150-4280 w/20 shots.
3. Acidize perms w/2000 gals acid & test.
4. Frac if necessary.

Second Stage:

1. Place temporary bridge plug @ 4100'.
2. Perforate 3740-3825 w/20 shots.
3. Acidize perms w/2000 gals acid & test.
4. Frac if necessary.
5. Remove bridge plug @ 4100 and produce both San Andres intervals.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Rosalie Jones TITLE President DATE 07/09/99
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
(ORIG. SGD.) DAVID R. GLASS
APPROVED BY _____ TITLE PETROLEUM ENGINEER DATE JUL 19 1999
CONDITIONS OF APPROVAL, IF ANY: _____