District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV

1220 S. St Francis Dr, Santa Fe, NM

87505

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107-B Revised August 1, 2011

## **OIL CONSERVATION DIVISION**

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICA	ATION 1	FOR SURFACE	COMMINGLING	G (DIVERSE	OWNERSHIP)	
OPERATOR NAME:	Premier (	Oil & Gas, Inc.			)	
OPERATOR ADDRESS:	901 Wate	erfall Way Suite 201, I	Richardson TX 75080			
APPLICATION TYPE:						
☑ Pool Commingling ☐ Lease	Comminglin	g Pool and Lease Co	mmingling Off-Lease	Storage and Measur	rement (Only if not Surfac	e Commingled)
LEASE TYPE:		-			in the burne	e commingica)
Is this an Amendment to exist Have the Bureau of Land Matter Yes No	ting Order nagement	? ☐Yes ☒No If	"Yes", please include t	the appropriate C tified in writing of	Order No of the proposed comm	ingling
		(A) POC Please attach sheet	OL COMMINGLIN is with the following in	G 1formation		
(1) Pool Names and Codes		Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes (monthly)
[28509] GRAYBURG JACKSON; SI	R-Q-G-SA	34 API				1350 bbls
[96718] LOCO HILLS; GLORIETA-	YESO	35 API	34.5		3350 bbls	2000 bbls
						2000 0013
(2) Are any wells producing at						
(5) Will commingling decrease	the value o	f production? Yes	heaters; historical product ⊠No If "yes", descril	be why commingli	ng should be approved	
			SE COMMINGLIN s with the following in			
<ol> <li>Pool Name and Code.</li> <li>Is all production from same</li> <li>Has all interest owners been at</li> <li>Measurement type:</li></ol>	notified by	upply? □Yes □No	)	□Yes □No	)	
		(C) POOL and Please attach sheets	LEASE COMMING with the following in	GLING		
(1) Complete Sections A and E.			with the following in	ioi mation		
	(D)	OFF I FASE STO	ODACE and MEAS	LIDEACENE		
			ORAGE and MEAS ts with the following in			
(1) Is all production from same				in the second		
(2) Include proof of notice to all	interest ow	ners.				
	(E) AD	DITIONAL INFO	RMATION (for all a	application typ	pes)	
(1) A schematic diagram of facil	lity, includi	ng legal location.	with the following in	ioi mation		
(2) A plat with lease boundaries (3) Lease Names, Lease and We	showing all	well and facility locatio	ns. Include lease number	s if Federal or Stat	e lands are involved.	
I hereby certify that the information	n above is to	rue and complete to the b	pest of my knowledge and	belief.		
SIGNATURE:		TIT	LE:_Vice President		DATE:_7/6/202	1
TYPE OR PRINT NAME Danie	el Jones			TELEF	PHONE NO.:_972-470-0	
E-MAIL ADDRESS:dan.jones@	premieroils	gas.com_				

Premier Oil & Gas respectfully requests the OCD to consider our application for surface commingling the [25809] Grayburg Jackson; SR-Q-G-SA and [96718] LOCO HILLS; GLORIETA-YESO for the following lease: NMNM0467930. These two pools on the Dale H. Parke A Tract 1 lease have equivalent oil gravity. Hence, we will see no negative economic impact mixing these two reservoirs. The Dale H. Parke A Tract 1 #12 which has been recently completed in the Grayburg Jackson; San Andres. This will save us from having to build a new site facility and eliminate waste.

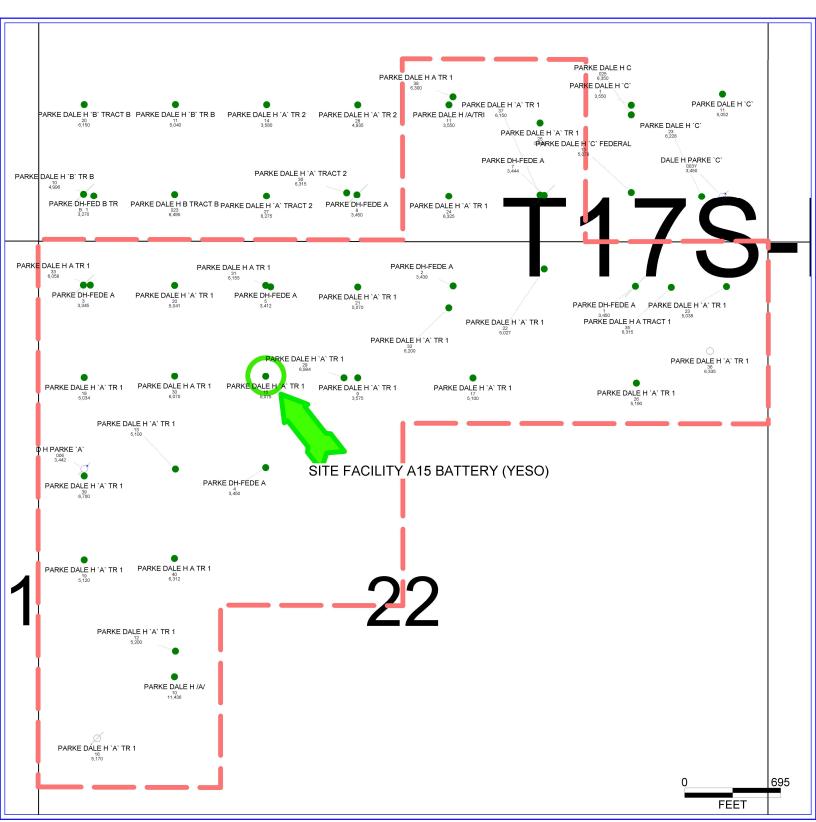
This application will affect the following:

Lease: NMNM0467930, NW4, NW4SW4, NW4NE4, NE4NE4 of Sec 22-T17S-R30E; SW4SE4 of Sec 15-T17S-R30E (see map for details).

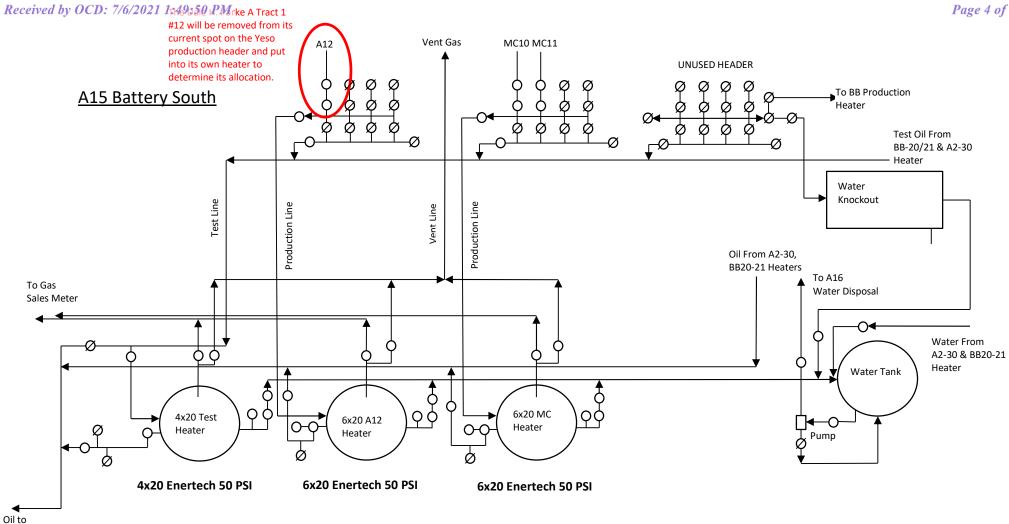
Wells and API Numbers:

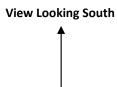
```
Dale H. Parke A Tract 1 #12, 30-015-30430 (San Andres)
Dale H. Parke A Tract 1 #13, 30-015-30431 (Yeso)
Dale H. Parke A Tract 1 #15, 30-015-30403 (Yeso)
Dale H. Parke A Tract 1 #17, 30-015-30456 (Yeso)
Dale H. Parke A Tract 1 #18, 30-015-30455 (Yeso)
Dale H. Parke A Tract 1 #19, 30-015-30705 (Yeso)
Dale H. Parke A Tract 1 #20, 30-015-30733 (Yeso)
Dale H. Parke A Tract 1 #21, 30-015-30730 (Yeso)
Dale H. Parke A Tract 1 #22, 30-015-30751 (Yeso)
Dale H. Parke A Tract 1 #23, 30-015-30738 (Yeso)
Dale H. Parke A Tract 1 #25, 30-015-31072 (Yeso)
Dale H. Parke A Tract 1 #26, 30-015-31202 (Yeso)
Dale H. Parke A Tract 1 #29, 30-015-35732 (Yeso)
Dale H. Parke A Tract 1 #30, 30-015-36298 (Yeso)
Dale H. Parke A Tract 1 #31, 30-015-36299 (Yeso)
Dale H. Parke A Tract 1 #32, 30-015-36300 (Yeso)
Dale H. Parke A Tract 1 #33, 30-015-36301 (Yeso)
Dale H. Parke A Tract 1 #34, 30-015-39434 (Yeso)
Dale H. Parke A Tract 1 #35, 30-015-37841 (Yeso)
Dale H. Parke A Tract 1 #36, 30-015-39435 (Yeso)
Dale H. Parke A Tract 1 #37, 30-015-36929 (Yeso)
Dale H. Parke A Tract 1 #38, 30-015-37796 (Yeso)
Dale H. Parke A Tract 1 #39, 30-015-36927 (Yeso)
Dale H. Parke A Tract 1 #40, 30-015-37795 (Yeso)
```

Since the A Tract 1 #12 was already plumbed into the site facility at the existing A Tract 1 #15 battery (see map for location of facility). We propose to simply replumb it at the same site facility to have its own test heater for allocation (see site facility diagram). Its oil will be commingled with all the Yeso production wells listed above. This is the most cost effective way to handle new production on existing wellbores.



PETRA 7/5/2021 11:42:10 AM





#### Legend:

Tanks

- O Indicates valve in the open position
- ${\it extstyle {\it extstyle O}}$  Indicates valve in the closed position
- → Indicates Path of Flow

Company	Address1	Address2	Address3	City	State	Zip Code	Certified tracking #	Lease
AB Reveived by OCD: 7/6/2021 1:49:5	() PPD/BOX 1185		Alto, NM 88312	Alto	NM	88312	70200640000185066094	ParPage 5 of
AMP-Investments LLC	1072 Casitas Pass Road, #201		Carpinteria, CA 93013	Carpinteria	CA	93013	70200640000185066100	Parke A Tract 1
Barrett Properties Inc.	PO BOX 1185		Alto, NM 88312	Alto	NM	88312	70200640000185066117	Parke A Tract 1
BLOSSOM P. MCBRIER 2011	REVOCABLE TRUST DTD MARCH 31, 2011	6721 BRIER HILL ROAD	Fairview, PA 16415	Fairview	PA	16415	70200640000185066124	Parke A Tract 1
BRYAN BELL FAMILY LLC	C/O FRANK ROBERT JANUSA, CPA	PO BOX 24591	New Orleans, LA 70184-4591	New Orleans	LA	70184-4591	70200640000185066131	Parke A Tract 1
CALVIN K MASON & JANET M MASON	700 ROGUE WOOD DRIVE		White City, OR 97503	White City	OR	97503	70200640000185066148	Parke A Tract 1
Cathleen Ann Adams, Trustee	Cathleen Ann Adams Revocable Trust	PO Box 45807	Rio Rancho, NM 87174	Rio Rancho	NM	87174	70200640000185066155	Parke A Tract 1
CHRIS MORGAN	86 N. SAN MATEO AVE.		Ventura, CA 93004	Ventura	CA	93004	70200640000185068234	Parke A Tract 1
CONQUISTADOR COUNCIL BOY SCOUTS OF AMERICA	PO BOX 840738		Dallas, TX 75284-0738	Dallas	TX	75284-0738	70200640000185068241	Parke A Tract 1
Dastarac Inc.	2308 SIERRA VISTA ROAD		Artesia, NM 88210	Artesia	NM	88210	70200640000185068258	Parke A Tract 1
DOUGLAS CAMERON MCLEOD	C/O PETROGULF CORP	600 Grant Street, Suite 850	Denver, CO 80203	Denver	CO	80203	70200640000185068265	Parke A Tract 1
Howard A Rubin Inc.	623 CAMINO RANCHEROS		Santa Fe, NM 87505-2837	Santa Fe	NM	87505-2837	70200640000185068289	Parke A Tract 1
JOHN A CARVER	4701 SW ADMIRAL WAY PMB 227		Seattle, WA 98116	Seattle	WA	98116	70200640000185068296	Parke A Tract 1
KATHARINA MORGAN TRUSTTE	RUSSELL M MORGAN FAMILY TRUST	1567 ZUTANO	Fallbrook, CA 92028-1145	Fallbrook	CA	92028-1145	70200640000185068302	Parke A Tract 1
KIRBY MINERALS	PO BOX 268947		Oklahoma City, OK 73125	Oklahoma City	OK	73125	70200640000185068319	Parke A Tract 1
Lois C. Morse	214 Church Street		Staunton, VA 24401	Staunton	VA	24401	70200640000185068326	Parke A Tract 1
MICHAEL WOODS MORGAN	3949 AUSTIN RD		Brawley, CA 92227	Brawley	CA	92227	70200640000185068333	Parke A Tract 1
NEW MEXICO MILITARY INSTITUTE	101 W COLLEGE		Roswell, NM 88201-5174	Roswell	NM	88201-5174	70200640000185068340	Parke A Tract 1
Pamela Morgan Pearson	885 RIM CREST DR		Westlake Village, CA 91361	Westlake Village	CA	91361	70200640000185068357	Parke A Tract 1
PATTERSON FAMILY BENEFICIARIES LLC	JOHN K PATTERSON MANAGER	2221 Shelter Bay Ave	Mill Valley, CA 94941	Mill Valley	CA	94941	70200640000185068364	Parke A Tract 1
RAYE MILLER & DASTARAC INC.	2308 SIERRA VISTA ROAD	•	Artesia, NM 88210	Artesia	NM	88210	70200640000185068371	Parke A Tract 1
Regeneration Energy Corp.	PO BOX 210		Artesia, NM 88211-210	Artesia	NM	88211-210	70200640000185068388	Parke A Tract 1
Robert N Enfield Irrevocable Trust-B	WELLS FARGO BANK - SAO	PO BOX 41779	Austin, TX 78704	Austin	TX	78704	70200640000185068395	Parke A Tract 1
Roy William Carver	PO BOX 399		Palm Desert, CA 92261	Palm Desert	CA	92261	70200640000185068401	Parke A Tract 1
RUBIE CROSBY BELL FAMILY LLC	C/O FRANK ROBERT JANUSA, CPA	PO BOX 24591	New Orleans, LA 70184-4591	New Orleans	LA	70184-4591	70200640000185068418	Parke A Tract 1
SABINE ROYALTY TRUST	SIMMONS BANK ESCROW AGENT AND TRUSTEE	PO BOX 678600	Dallas, TX 75267-8600	Dallas	TX	75267-8600	70200640000185068425	Parke A Tract 1
Susan Arrot, Trustee	Arrott Family Revocable Trust	PO Box 95074	North Little Rock, AR 72190	North Little Rock	AR	72190	70200640000185068432	Parke A Tract 1
THE WHITMIRE COMPANIES LLC	DBA BANDERA MINERALS LLC	7134 S YALE AVE SUITE 510	Tulsa, OK 74136	Tulsa	OK	74136	70200640000185068449	Parke A Tract 1
rust U/W Frank Albert Morgan , Jr.	MICHAEL WOODS MORGAN, CO-TRUSTEE	3949 AUSTIN RD	Brawley, CA 92227	Brawley	CA	92227	70200640000185068456	Parke A Tract 1
UNIVERSITY OF NEW MEXICO	C/O DIRECTOR OF REAL ESTATE	2811 CAMPUS BLVD NE MSC 06 3595	Albuquerque, NM 87131	Albuquerque	NM	87131	70200640000185068463	Parke A Tract 1
WARD INVESTMENT LTD CO	101 S 4TH ST		Artesia, NM 88210-2177	Artesia	NM	88210-2177	70200640000185068470	Parke A Tract 1
WESMAX LTD	C/O CRM LP AGENT	PO BOX 53567	MIDLAND TX 79710	MIDLAND	TV	79710	70200640000185068487	Parke A Tract 1

D. J. .... J. J. T. ... ... 0/17/2021 4.02.20 DM

From: <u>Jerry Goedert</u>

To: dan.jones@premieroilgas.com

Cc: <u>Doug McLeod</u>; <u>Nikki Sproveri</u>; <u>Art Morrissey</u>; <u>Olga McLeod</u>

Subject: RE: Notification sent for Surface Commingling Date: Wednesday, September 8, 2021 10:22:13 AM

Dan,

Petrogulf does not plan to protest the surface commingling application.

Thanks,

Jerry

Jerry Goedert

**Operations Manager** 

igoedert@petrogulf.com

Petrogulf Corporation

600 Grant St., Ste. 850

Denver, CO 80203

303-893-5400 X16

303-968-8828 cell



From: Nikki Sproveri <nsproveri@petrogulf.com>

Sent: Wednesday, September 8, 2021 10:11 AM

To: Art Morrissey <amorrissey@petrogulf.com>; Jerry Goedert <jgoedert@petrogulf.com>; Olga

McLeod <olgamcleod@petrogulf.com>

Cc: Doug McLeod <dmcleod@petrogulf.com>

Subject: FW: Notification sent for Surface Commingling

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

**Sent:** Wednesday, September 8, 2021 8:48 AM **To:** Nikki Sproveri <a href="mailto:sproveri@petrogulf.com">sproveri@petrogulf.com</a>>

Subject: RE: Notification sent for Surface Commingling

Hi Nikki,

If I can get statement from Petrogulf stating they will not protest the commingle act, it will speed along the approval process as well. Thanks.

**Daniel Jones** 

**From:** Nikki Sproveri < nsproveri@petrogulf.com >

Sent: Wednesday, September 1, 2021 12:01 PM

To: dan.jones@premieroilgas.com

**Subject:** Re: Notification sent for Surface Commingling

Dan,

Letter regarding Surface Commingling has been received and forwarded on to staff.

Thank you,

Nikki

Sent from my iPhone

On Sep 1, 2021, at 8:25 AM, <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a> wrote:

Hi Nikki,

Please let me know that you are in receipt of the letter and plan so I can proceed with closing it out with the New Mexico OCD.

Thank you, Daniel Jones

From: <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>>

**Sent:** Tuesday, August 31, 2021 11:26 AM

To: 'Nikki Sproveri' < <a href="mailto:nsproveri@petrogulf.com">nsproveri@petrogulf.com</a>>

Subject: RE: Notification sent for Surface Commingling

Hi Nikki,

This is what I sent out to all the Owners via certified mail.

Thank you very much,

Daniel Jones

From: Nikki Sproveri < nsproveri@petrogulf.com >

**Sent:** Tuesday, August 31, 2021 11:13 AM

To: dan.jones@premieroilgas.com

Subject: FW: Notification sent for Surface Commingling

Hi Daniel,

I'm not sure I remember seeing this in our mail. Will you send it over and I will forward on to everyone?

Thank you,

Nikki Sproveri
Executive Assistant
Petrogulf Corporation
600 Grant Street, Suite 850
Denver, CO 80203
303.893.5400 x10
nsproveri@petrogulf.com

WARNING: This message, including any attachments, contains confidential information intended for a specific individual and purpose and is protected by law. If you are not the intended recipient, please contact sender immediately by reply e-mail and destroy all copies. You are hereby notified that any disclosure, copying, or distribution of this message, or the taking of any action based on it, is strictly prohibited.

#### Begin forwarded message:

From: dan.jones@premieroilgas.com

Date: August 30, 2021 at 16:49:41 GMT-3

To: Doug McLeod <dmcleod@petrogulf.com>

**Subject: Notification sent for Surface Commingling** 

Reply-To: <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>

Hi Douglas,

I sent a letter about a month ago detailing that Premier Oil & Gas, Inc. was applying for a surface commingle with the New Mexico Oil Conservation Division on the Dale H. Parke A Tract 1 lease in Loco Hills, NM. We did not receive a return receipt via certified mail.

Please notify me at your earliest convenience that you have received it or if not I will send you a letter detailing our plan to commingle wells producing from the Yeso and San Andres formations on the lease. I'm required to show proof that all owners are in receipt of this letter.

Thank you very much,

Daniel Jones Vice President Premier Oil & Gas, Inc. 901 Waterfall Way Suite 201

Richardson, TX 75080

Email: dan.jones@premieroilgas.com

Cell: 817-614-4224

From: <u>Lacy Roberson</u>

To: <u>dan.jones@premieroilgas.com</u>

Cc: <u>Inez Trujillo</u>

Subject: RE: Sabine Royalty Trust Contact Request Date: Thursday, September 9, 2021 8:07:31 AM

Attachments: <u>image003.png</u>

image004.png

Dan.

PEC Minerals will not be protesting, if Sabine Royalty Trust as the royalty interest owner is not protesting.

Sincerely,

Lacy Roberson
Senior Landman

Rees-Jones Oil & Minerals
PEC Minerals LP
PEC Exploration, LLC
8111 Westchester Drive, Suite 900
Dallas, TX 75225
214.884.3242 Direct
lroberson@r-jholdings.com

From: Inez Trujillo <inez.trujillo@simmonsbank.com>

Sent: Thursday, September 09, 2021 8:52 AM

To: dan.jones@premieroilgas.com

Cc: Lacy Roberson ccm>; Walt Nixon <wnixon@r-jholdings.com>

**Subject:** [EXTERNAL] RE: Sabine Royalty Trust Contact Request

Dan,

I do not see that Simmons Bank on behalf of Sabine Royalty Trust will protest the surface commingle on the Dale H Parke A Tr 1 lease. PEC Minerals holds the executive rights for the trust and I have included them in this email.

Thanks,

## Inez Trujillo

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



Trust Services | Investment Management | Private Client

Investment and insurance products are: Not a Deposit | Not FDIC Insured | Not Insured by Any Federal Government Agency | Not Bank Guaranteed | May Lose Value

From: <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>>

**Sent:** Wednesday, September 8, 2021 9:51 AM **To:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>> **Subject:** RE: Sabine Royalty Trust Contact Request

#### External email - Use caution with links and attachments.

Hi Inez.

If I can get a statement from Simmons Bank on behalf of Sabine that they will not protest the surface commingle this will help me get approval quicker with the OCD. Thank you.

Daniel Jones

From: Inez Trujillo <inez.trujillo@simmonsbank.com>
Sent: Wednesday, September 1, 2021 12:31 PM

To: dan.jones@premieroilgas.com

**Subject:** RE: Sabine Royalty Trust Contact Request

Daniel,

Thank you for the information on the surface commingle with the New Mexico Oil Conservation Division on the Dale H. Parke A Tract 1 lease in Loco Hills, NM.

## Inez Trujillo

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



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#### Government Agency | Not Bank Guaranteed | May Lose Value

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Tuesday, August 31, 2021 11:27 AM

**To:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>> **Subject:** RE: Sabine Royalty Trust Contact Request

#### External email - Use caution with links and attachments.

Hi Inez,

This is what I sent out to notify all the owners.

Thank you very much, Daniel Jones

**From:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>>

**Sent:** Tuesday, August 31, 2021 9:40 AM

To: dan.jones@premieroilgas.com

Subject: FW: Sabine Royalty Trust Contact Request

Hi Daniel,

I don't show we received it. Did you mail it to our lockbox address? Please feel free to mail to our physical address below and put it to my attention.

Thanks,

## **Inez Trujillo**

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



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From: Jana Egeler < <u>Jana.Egeler@simmonsbank.com</u>>

**Sent:** Monday, August 30, 2021 3:19 PM

**To:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>> **Subject:** FW: Sabine Royalty Trust Contact Request

## Inez,

Can you take a look at the email below, received through the Trust website.

## Thanks,

Jana Egeler
Simmons Bank
Royalty Trust Administration
Jana.egeler@simmonsbank.com

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Monday, August 30, 2021 3:12 PM

To: trustee@sbr-sabine.com

Subject: Sabine Royalty Trust Contact Request

#### External email - Use caution with links and attachments.

To Whom It May Concern:

I sent a letter about a month ago detailing that Premier Oil & Gas, Inc. was applying for a surface commingle with the New Mexico Oil Conservation Division on the Dale H. Parke A Tract 1 lease in Loco Hills, NM. We did not receive a return receipt via certified mail. The certified number was #70200640000185068425.

Please notify me at your earliest convenience that you have received it or if not I will send you a letter detailing our plan to commingle wells producing from the Yeso and San Andres formations on the lease. I'm required to show proof that all owners are in receipt of this letter.

Thank you very much,

Daniel Jones
Vice President
Premier Oil & Gas, Inc.
901 Waterfall Way
Suite 201
Richardson, TX 75080

Email: dan.jones@premieroilgas.com

Cell: 817-614-4224

From: <u>Inez Trujillo</u>

To: <u>dan.jones@premieroilgas.com</u>

 Cc:
 Lacy Roberson; wnixon@r-jholdings.com

 Subject:
 RE: Sabine Royalty Trust Contact Request

 Date:
 Thursday, September 9, 2021 7:51:54 AM

Attachments: <u>image001.png</u>

image002.png

RE Sabine Royalty Trust Contact Request.msq

Dan,

I do not see that Simmons Bank on behalf of Sabine Royalty Trust will protest the surface commingle on the Dale H Parke A Tr 1 lease. PEC Minerals holds the executive rights for the trust and I have included them in this email.

Thanks.

## Inez Trujillo

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



Trust Services | Investment Management | Private Client

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**From:** dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

**Sent:** Wednesday, September 8, 2021 9:51 AM **To:** Inez Trujillo <inez.trujillo@simmonsbank.com> **Subject:** RE: Sabine Royalty Trust Contact Request

#### External email - Use caution with links and attachments.

Hi Inez,

If I can get a statement from Simmons Bank on behalf of Sabine that they will not protest the surface commingle this will help me get approval quicker with the OCD. Thank you.

**Daniel Jones** 

From: Inez Trujillo <inez.trujillo@simmonsbank.com>
Sent: Wednesday, September 1, 2021 12:31 PM

To: dan.jones@premieroilgas.com

Subject: RE: Sabine Royalty Trust Contact Request

Daniel.

Thank you for the information on the surface commingle with the New Mexico Oil Conservation Division on the Dale H. Parke A Tract 1 lease in Loco Hills, NM.

## Inez Trujillo

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



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Investment and insurance products are: Not a Deposit | Not FDIC Insured | Not Insured by Any Federal Government Agency | Not Bank Guaranteed | May Lose Value

From: <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>>

**Sent:** Tuesday, August 31, 2021 11:27 AM

**To:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>> **Subject:** RE: Sabine Royalty Trust Contact Request

#### External email - Use caution with links and attachments.

Hi Inez,

This is what I sent out to notify all the owners.

Thank you very much, Daniel Jones

**From:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>>

Sent: Tuesday, August 31, 2021 9:40 AM

To: dan.jones@premieroilgas.com

**Subject:** FW: Sabine Royalty Trust Contact Request

Hi Daniel,

I don't show we received it. Did you mail it to our lockbox address? Please feel free to mail to our physical address below and put it to my attention.

Thanks,

## Inez Trujillo

Trust Administrator 972.919.1354 (d) | 214.559.7010 (f) 2911 Turtle Creek Blvd, Ste 850 | Dallas,Texas 75219 inez.trujillo@simmonsbank.com simmonsbank.com



Trust Services | Investment Management | Private Client

Investment and insurance products are: Not a Deposit | Not FDIC Insured | Not Insured by Any Federal Government Agency | Not Bank Guaranteed | May Lose Value

**From:** Jana Egeler < <u>Jana.Egeler@simmonsbank.com</u>>

**Sent:** Monday, August 30, 2021 3:19 PM

**To:** Inez Trujillo < <u>inez.trujillo@simmonsbank.com</u>> **Subject:** FW: Sabine Royalty Trust Contact Request

#### Inez.

Can you take a look at the email below, received through the Trust website.

## Thanks,

Jana Egeler
Simmons Bank
Royalty Trust Administration
Jana.egeler@simmonsbank.com

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

**Sent:** Monday, August 30, 2021 3:12 PM

To: trustee@sbr-sabine.com

**Subject:** Sabine Royalty Trust Contact Request

### External email - Use caution with links and attachments.

To Whom It May Concern:

I sent a letter about a month ago detailing that Premier Oil & Gas, Inc. was applying for a surface

commingle with the New Mexico Oil Conservation Division on the Dale H. Parke A Tract 1 lease in Loco Hills, NM. We did not receive a return receipt via certified mail. The certified number was #70200640000185068425.

Please notify me at your earliest convenience that you have received it or if not I will send you a letter detailing our plan to commingle wells producing from the Yeso and San Andres formations on the lease. I'm required to show proof that all owners are in receipt of this letter.

Thank you very much,

Daniel Jones Vice President Premier Oil & Gas, Inc. 901 Waterfall Way Suite 201 Richardson, TX 75080

Email: <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>

Cell: 817-614-4224

From: Engineer, OCD, EMNRD

To: dan.jones@premieroilgas.com

Cc: McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Hawkins, James , EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com;

Glover, James, Paradis, Kyle O; Walls, Christopher

**Subject:** Approved Administrative Order PLC-780 **Date:** Friday, September 17, 2021 3:56:50 PM

Attachments: PLC780 Order.pdf

NMOCD has issued Administrative Order PLC-780 which authorizes Premier Oil & Gas, Inc. (17985) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	<b>Pool Code</b>
30-015-30430	Dale H Parke A Tract 1 #12	L	22-17S-30E	28509
30-015-30431	Dale H Parke A Tract 1 #13	E	22-17S-30E	96718
30-015-30403	Dale H Parke A Tract 1 #15	C	22-17S-30E	96718
30-015-30456	Dale H Parke A Tract 1 #17	В	22-17S-30E	96718
30-015-30455	Dale H Parke A Tract 1 #18	D	22-17S-30E	96718
30-015-30705	Dale H Parke A Tract 1 #19	E	22-17S-30E	96718
30-015-30733	Dale H Parke A Tract 1 #20	D	22-17S-30E	96718
30-015-30730	Dale H Parke A Tract 1 #21	C	22-17S-30E	96718
30-015-30751	Dale H Parke A Tract 1 #22	В	22-17S-30E	96718
30-015-30738	Dale H Parke A Tract 1 #23	A	22-17S-30E	96718
30-015-31072	Dale H Parke A Tract 1 #25	0	15-17S-30E	96718
30-015-31202	Dale H Parke A Tract 1 #26	A	22-17S-30E	96718
30-015-35732	Dale H Parke A Tract 1 #29	C	22-17S-30E	96718
30-015-36298	Dale H Parke A Tract 1 #30	D	22-17S-30E	96718
30-015-36299	Dale H Parke A Tract 1 #31	C	22-17S-30E	96718
30-015-36300	Dale H Parke A Tract 1 #32	В	22-17S-30E	96718
30-015-36301	Dale H Parke A Tract 1 #33	D	22-17S-30E	96718
30-015-39434	Dale H Parke A Tract 1 #34	В	22-17S-30E	96718
30-015-37841	Dale H Parke A Tract 1 #35	A	22-17S-30E	96718
30-015-39435	Dale H Parke A Tract 1 #36	A	22-17S-30E	96718
30-015-36929	Dale H Parke A Tract 1 #37	0	15-17S-30E	96718
30-015-37796	Dale H Parke A Tract 1 #38	0	15-17S-30E	96718
30-015-36927	Dale H Parke A Tract 1 #39	E	22-17S-30E	96718
30-015-37795	Dale H Parke A Tract 1 #40	E	22-17S-30E	96718

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: dan.jones@premieroilgas.com
To: McClure, Dean, EMNRD

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Date: Thursday, September 9, 2021 8:43:18 AM

Attachments: RE Sabine Royalty Trust Contact Request.msg
RE Sabine Royalty Trust Contact Request.msg
RE Notification sent for Surface Commingling.msg

Hi Dean,

Hopefully these emails will satisfy to show that the remaining two owners will not be protesting so we can speed this one along! Thank you so much for your help through this!

Thank you, Daniel Jones

From: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Sent: Tuesday, September 7, 2021 4:49 PM

To: dan.jones@premieroilgas.com

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Hello Dan,

Sorry about the delayed response; I have reviewed the emails and everything looks sufficient.

However, please note that the 20 day notice period restarted on 9/1/2021 and an order cannot be issued until 9/22/2021.

Alternatively this period may be bypassed if you submit statements from Douglas Cameron McCleod and Sabine Royalty Trust which demonstrate that they do not protest the application.

Additionally, the other battery has been approved; please see the attached Order. I'll get everything entered into the computer in the next few days, but the Order is in effect. If you have any questions, feel free to reach out.

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Wednesday, September 1, 2021 11:16 AM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Dean,

These sets of emails should show that the two remaining companies are now in possession and have been notified of our plans for the commingling application.

Thank you, Daniel

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Sent: Monday, August 30, 2021 10:11 AM

To: dan.jones@premieroilgas.com
Cc: ken.jones@premieroilgas.com

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

PLC-781 is for the Parke B Tract C 12 Battery and associated wells.

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Monday, August 30, 2021 8:38 AM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Cc: ken.jones@premieroilgas.com

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Dean,

Which application is PLC-781? Is it for the Dale H. Parke A Tract 1 or the DHP B Tract C?

I'll check and see what's going on with those notifications.

Thanks,

Daniel

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

**Sent:** Friday, August 27, 2021 5:31 PM **To:** <a href="mailto:dan.jones@premieroilgas.com">dan.jones@premieroilgas.com</a>

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Hello Dan,

Please confirm that the following persons have received notification of application PLC-780:

7/12/2021	DOUGLAS CAMERON MCLEOD	70200640000185068265	<b>In-Transit</b>
7/12/2021	SABINE ROYALTY TRUST	70200640000185068425	<b>In-Transit</b>

Regarding application PLC-781, I will be recommending at a permit be issued for the commingling project hopefully this afternoon although it will likely be next week before an Order is issued to that effect.

Please keep in mind that as wells are recompleted into the SA, their production will need to be routed to the appropriate separator and a sundry will need to be submitted to the OCD with these orders referenced so that they may be updated.

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

**Sent:** Friday, August 27, 2021 8:23 AM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Hey Dean, just wanted to check in and makes sure you got all the information you need.

**Daniel Jones** 

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

**Sent:** Monday, August 23, 2021 11:21 AM

**To:** 'McClure, Dean, EMNRD' < <u>Dean.McClure@state.nm.us</u>>

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Dean,

I think I have all the info here for you. I created a spreadsheet for all the owners and the tracking numbers. A Tract 1 is on Sheet 1 and B Tract C is on Sheet 2 of the Excel spreadsheet. I also created NOI Sundries with the BLM for the three wells A Tract 1 #12, B Tract C #7, and B Tract C #8. Attached is also the applications for the pool commingling for the A Tract 1 and B Tract C leases. Let me know if you need anything else or any further clarification from me.

It's easier if you reach me on my cell number.

Thanks again.

Daniel Jones

817-614-4224 (cell)

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Sent: Wednesday, August 18, 2021 1:37 PM

To: dan.jones@premieroilgas.com

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Sounds good.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Wednesday, August 18, 2021 12:15 PM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Hi Dean,

I was out of the office yesterday but give me a couple of days to organize the data as there is a lot of owners, but I should have something for you tomorrow.

Daniel

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

**Sent:** Monday, August 16, 2021 4:03 PM

To: dan.jones@premieroilgas.com

**Subject:** surface commingling applications for Dale H Parke A tract and B tract C wells

Mr. Jones,

Per our phone conversation, please fill out the attached admin checklist for each of these applications, provide btu values for the two pools for these leases, and provide a list of the noticed persons with certified tracking numbers. Additionally, I will need to see confirmation that the BLM was notified of these applications which may consist of a copy of a NOI sundry you submit to them.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: dan.jones@premieroilgas.com
To: McClure, Dean, EMNRD

**Subject:** RE: surface commingling applications for Dale H Parke A tract and B tract C wells

**Date:** Tuesday, August 24, 2021 9:40:42 AM

I forgot to mention. The BTU values for both leases and both pools is 1300 + /- 25.

**From:** dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Monday, August 23, 2021 11:21 AM

To: 'McClure, Dean, EMNRD' < Dean. McClure@state.nm.us>

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

#### Dean,

I think I have all the info here for you. I created a spreadsheet for all the owners and the tracking numbers. A Tract 1 is on Sheet 1 and B Tract C is on Sheet 2 of the Excel spreadsheet. I also created NOI Sundries with the BLM for the three wells A Tract 1 #12, B Tract C #7, and B Tract C #8. Attached is also the applications for the pool commingling for the A Tract 1 and B Tract C leases. Let me know if you need anything else or any further clarification from me.

It's easier if you reach me on my cell number.

Thanks again.

**Daniel Jones** 

817-614-4224 (cell)

**From:** McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>>

Sent: Wednesday, August 18, 2021 1:37 PM

To: dan.jones@premieroilgas.com

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Sounds good.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

From: dan.jones@premieroilgas.com <dan.jones@premieroilgas.com>

Sent: Wednesday, August 18, 2021 12:15 PM

**To:** McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>>

Subject: RE: surface commingling applications for Dale H Parke A tract and B tract C wells

Hi Dean.

I was out of the office yesterday but give me a couple of days to organize the data as there is a lot of

owners, but I should have something for you tomorrow. Daniel

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

**Sent:** Monday, August 16, 2021 4:03 PM

To: dan.jones@premieroilgas.com

**Subject:** surface commingling applications for Dale H Parke A tract and B tract C wells

Mr. Jones,

Per our phone conversation, please fill out the attached admin checklist for each of these applications, provide btu values for the two pools for these leases, and provide a list of the noticed persons with certified tracking numbers. Additionally, I will need to see confirmation that the BLM was notified of these applications which may consist of a copy of a NOI sundry you submit to them.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
1,202.720.		ABOVE THIS TABLE FOR OCD	DIVISIONALISE ONLY	
				OF NEW Ma
		CO OIL CONSERV		
		cal & Engineerin		
	1220 South St. F	rancis Drive, San	ta Fe, NM 8/505	S CONSERVATION GOODS
	ADMINIST	RATIVE APPLICAT	ION CHECKLIST	
THIS	CHECKLIST IS MANDATORY FOR A	all administrative applic	CATIONS FOR EXCEPTIONS TO	
	REGULATIONS WHICH R	EQUIRE PROCESSING AT TH	e division level in Santa Fe	
Applicant: Premier	Oil & Gas. Inc.		OGRID	Number: 017985
Well Name: Dale I			API: 30-0	
Pool: GRAYBURG JACKSON; SR-Q-G-SA Pool Code: 2850				
			10010	
SUBMIT ACCUR	ATE AND COMPLETE IN	FORMATION REQU	IRED TO PROCESS TH	E TYPE OF APPLICATION
		INDICATED BEL	OW	
1) TYPE OF APPL	ICATION: Check those	which apply for L	Δ1	
	n – Spacing Unit – Simu		-	
			SP(proration unit)	
_				
	one only for [I] or [II]			
[1] Com	nmingling – Storage – N	Aeasurement _		
	DHC DCTB DF		ols Loim	
	ction – Disposal – Press			/
L	□ WFX □ PMX □ S	SWD LIPI LI	EOR PPR	FOR OCD ONLY
2) NOTIFICATION	N REQUIRED TO: Check	those which annu	V	TOK OCD ONL!
· ·	t operators or lease ho		7 •	■ Notice Complete
	Ity, overriding royalty o		wners	Application
	cation requires publish			Content
	cation and/or concur			Complete
	cation and/or concur	ent approval by B	LM	
	ce owner II of the above, proof (	of notification or n	ublication is attache	ad and/or
	otice required	of Hollication of p	ublication is attache	ea, ana/or,
11 140 11	once required			
3) CERTIFICATIO	N: I hereby certify that	the information su	ubmitted with this ap	plication for
	e approval is accurate			
	nat <b>no action</b> will be to		ation until the requir	ed information and
notifications of	are submitted to the Di	vision.		
N	lote: Statement must be compl	eted by an individual wit	h managerial and/or super	visory capacity.
			8/20/2021	
Daniel Jones			Date	
Print or Type Name				
Thin or type name			817-614-4224 (cell)	
1101			Phone Number	
Location				
			dan.jones@premieroi	lgas.com
Signature			e-mail Address	



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT Sundry Print Repo

Well Name: DALE H PARKE A TR 1 Well Location: T17S / R30E / SEC 22 / County or Parish/State: EDDY /

NWSW /

Well Number: 12 Type of Well: OIL WELL Allottee or Tribe Name:

**Unit or CA Number:** Lease Number: NMNM0467930 Unit or CA Name:

**US Well Number: 3001530430** Well Status: Producing Oil Well Operator: PREMIER OIL & GAS

**INCORPORATED** 

## **Notice of Intent**

Type of Submission: Notice of Intent Type of Action Other

Time Sundry Submitted: 09:09 Date Sundry Submitted: 08/23/2021

Date proposed operation will begin: 08/22/2021

Procedure Description: Premier Oil & Gas, Inc. has applied for a pool comingling for the [28509] GRAYBURG JACKSON; SR-Q-G-SA and the [96718] LOCO HILLS; GLORIETA-YESO for the A Tract 1 lease with the New Mexico OCD. This well has recently been completed in the San Andres and will be commingled with the Yeso wells on the A Tract 1 lease. For allocation it will have its own heater for metering oil and gas. This notice satisfies the conditions with the OCD for the application.

## **Surface Disturbance**

Is any additional surface disturbance proposed?: No

Page 1 of 2

eived by OCD: 7/6/2021 1:49:50 PM Well Name: DALE H PARKE A TR 1

Well Location: T17S / R30E / SEC 22 /

NWSW /

County or Parish/State: Page 27 of

Well Number: 12 Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM0467930

**Unit or CA Name:** 

**Unit or CA Number:** 

**US Well Number:** 3001530430

Well Status: Producing Oil Well

Operator: PREMIER OIL & GAS

**INCORPORATED** 

## **Operator Certification**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

**Operator Electronic Signature: DANIEL JONES** Signed on: AUG 23, 2021 09:09 AM

Name: PREMIER OIL & GAS INCORPORATED

Title: Vice President

Street Address: 901 Waterfall Way Suite 201

City: Richardson State: TX

Phone: (972) 470-0228

Email address: dan.jones@premieroligas.com

## **Field Representative**

**Representative Name:** 

**Street Address:** 

State: City: Zip:

Phone:

**Email address:** 

Page 2 of 2

## State of New Mexico Energy, Minerals and Natural Resources Department

## **Notice**

Order: PLC-780

Operator: Premier Oil & Gas, Inc. (17985)

**Publication Date:** 

Submittal Date: 7/6/2021

	Noticed Persons						
Date	Person	<b>Certified Tracking Number</b>	Status				
7/8/2021	ABE Energy, LLC	70200640000185066094	Delivered				
7/10/2021	AMP-Investments LLC	70200640000185066100	Delivered				
7/8/2021	Barrett Properties Inc.	70200640000185066117	Delivered				
7/17/2021	BLOSSOM P. MCBRIER 2011	70200640000185066124	Delivered				
7/12/2021	BRYAN BELL FAMILY LLC	70200640000185066131	Delivered				
7/9/2021	CALVIN K MASON & JANET M MASON	70200640000185066148	Delivered				
7/26/2021	Cathleen Ann Adams, Trustee	70200640000185066155	Delivered				
7/9/2021	CHRIS MORGAN	70200640000185068234	Delivered				
7/8/2021	CONQUISTADOR COUNCIL BOY SCOUTS	70200640000185068241	Delivered				
7/8/2021	Dastarac Inc.	70200640000185068258	Delivered				
7/12/2021	DOUGLAS CAMERON MCLEOD	70200640000185068265	<b>In-Transit</b>				
7/9/2021	Howard A Rubin Inc.	70200640000185068289	Delivered				
7/9/2021	JOHN A CARVER	70200640000185068296	Delivered				
7/12/2021	KATHARINA MORGAN TRUSTTE	70200640000185068302	Delivered				
7/9/2021	KIRBY MINERALS	70200640000185068319	Delivered				
7/12/2021	Lois C. Morse	70200640000185068326	Delivered				
7/10/2021	MICHAEL WOODS MORGAN	70200640000185068333	Delivered				
7/8/2021	NEW MEXICO MILITARY INSTITUTE	70200640000185068340	Delivered				
7/10/2021	Pamela Morgan Pearson	70200640000185068357	Delivered				
7/12/2021	PATTERSON FAMILY BENEFICIARIES LL	70200640000185068364	Delivered				
7/8/2021	RAYE MILLER & DASTARAC INC.	70200640000185068371	Delivered				
7/8/2021	Regeneration Energy Corp.	70200640000185068388	Delivered				
7/9/2021	Robert N Enfield Irrevocable Trust-B	70200640000185068395	Delivered				
7/13/2021	Roy William Carver	70200640000185068401	Delivered				
7/12/2021	RUBIE CROSBY BELL FAMILY LLC	70200640000185068418	Delivered				
7/12/2021	SABINE ROYALTY TRUST	70200640000185068425	<b>In-Transit</b>				
7/12/2021	Susan Arrot, Trustee	70200640000185068432	Delivered				
7/8/2021	THE WHITMIRE COMPANIES LLC	70200640000185068449	Delivered				
7/12/2021	Trust U/W Frank Albert Morgan, Jr.	70200640000185068456	Delivered				
7/9/2021	UNIVERSITY OF NEW MEXICO	70200640000185068463	<b>Post Office</b>				
7/8/2021	WARD INVESTMENT LTD CO	70200640000185068470	Delivered				
7/9/2021	WESMAX LTD	70200640000185068487	Delivered				
	Notice sent online on 8/	22/2021					
8/22/2021	BLM	Sundry	Received				
	Notice sent via email on 8	8/30/2021					
9/8/2021	DOUGLAS CAMERON MCLEOD	Emailed	Approved				
9/9/2021	SABINE ROYALTY TRUST	Emailed	<b>Approved</b>				

# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

## APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY PREMIER OIL & GAS, INC.

ORDER NO. PLC-780

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

## **FINDINGS OF FACT**

- 1. Premier Oil & Gas, Inc. ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. Applicant intends to segregate the oil and gas production from each lease and from each pool within that lease as identified in Exhibit B from the oil and gas production from all other pools and leases prior to measuring the production from each pool and lease with an allocation meter.
- 4. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
- 5. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 6. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 7. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.

## **CONCLUSIONS OF LAW**

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12 NMAC, and 19.15.23 NMAC.

Order No. PLC-780 Page 1 of 3

- 9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.
- 10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) and (6) NMAC, as applicable.
- 11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
- 12. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
- 13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

## **ORDER**

- 1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.
  - Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
- 2. The allocation of oil and gas production to each pool and lease identified in Exhibit B shall be determined by separating and metering the production from each pool and lease as described by Group ID in Exhibit B prior to commingling that production with production from any other pool and lease.
- 3. If a well is recompleted into a pool included in Exhibit A but different than that well is identified as being completed into within Exhibit A, no later than sixty (60) days after the well has been recompleted, Applicant shall submit Form C-103 to the OCD Engineering Bureau. The Form C-103 shall reference this Order and identify the well and new pool that it is recompleted into. The production from the well shall be routed to the appropriate separator so that its production is measured together with the production from the wells that are producing from the same pool and lease as it is then completed. The OCD Engineering Bureau shall amend Exhibit B to reflect this change.
- 4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
- 5. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.

Order No. PLC-780 Page 2 of 3

- 7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

anl	DATE:	9/14/2021
ADRIENNE SANDOVAL		
DIRECTOR		

Order No. PLC-780 Page 3 of 3

## State of New Mexico Energy, Minerals and Natural Resources Department

## **Exhibit A**

Order: PLC-780

Operator: Premier Oil & Gas, Inc. (17985)

Central Tank Battery: A Tract 1 15 Battery

Central Tank Battery Location: Unit C, Section 22, Township 17 South, Range 30 East Gas Title Transfer Meter Location: Unit C, Section 22, Township 17 South, Range 30 East

## **Pools**

Pool Name Pool Code
GRAYBURG JACKSON;SR-Q-G-SA
LOCO HILLS; GLORIETA-YESO 96718

## Leases as defined in 19.15.12.7(C) NMAC

 Lease
 UL or Q/Q
 S-T-R

 NMNM 0467930
 O
 15-17S-30E

 A B C D E F L
 22-17S-30E

Wells					
Well API	Well Name	UL or Q/Q	S-T-R	Pool	
30-015-30430	Dale H Parke A Tract 1 #12	L	22-17S-30E	28509	
30-015-30431	Dale H Parke A Tract 1 #13	E	22-17S-30E	96718	
30-015-30403	Dale H Parke A Tract 1 #15	C	22-17S-30E	96718	
30-015-30456	Dale H Parke A Tract 1 #17	В	22-17S-30E	96718	
30-015-30455	Dale H Parke A Tract 1 #18	D	22-17S-30E	96718	
30-015-30705	Dale H Parke A Tract 1 #19	E	22-17S-30E	96718	
30-015-30733	Dale H Parke A Tract 1 #20	D	22-17S-30E	96718	
30-015-30730	Dale H Parke A Tract 1 #21	C	22-17S-30E	96718	
30-015-30751	Dale H Parke A Tract 1 #22	В	22-17S-30E	96718	
30-015-30738	Dale H Parke A Tract 1 #23	A	22-17S-30E	96718	
30-015-31072	Dale H Parke A Tract 1 #25	0	15-17S-30E	96718	
30-015-31202	Dale H Parke A Tract 1 #26	$\mathbf{A}$	22-17S-30E	96718	
30-015-35732	Dale H Parke A Tract 1 #29	C	22-17S-30E	96718	
30-015-36298	Dale H Parke A Tract 1 #30	D	22-17S-30E	96718	
30-015-36299	Dale H Parke A Tract 1 #31	C	22-17S-30E	96718	
30-015-36300	Dale H Parke A Tract 1 #32	В	22-17S-30E	96718	
30-015-36301	Dale H Parke A Tract 1 #33	D	22-17S-30E	96718	
30-015-39434	Dale H Parke A Tract 1 #34	В	22-17S-30E	96718	
30-015-37841	Dale H Parke A Tract 1 #35	A	22-17S-30E	96718	
30-015-39435	Dale H Parke A Tract 1 #36	A	22-17S-30E	96718	
30-015-36929	Dale H Parke A Tract 1 #37	0	15-17S-30E	96718	
30-015-37796	Dale H Parke A Tract 1 #38	0	15-17S-30E	96718	
30-015-36927	Dale H Parke A Tract 1 #39	E	22-17S-30E	96718	
30-015-37795	Dale H Parke A Tract 1 #40	E	22-17S-30E	96718	

## State of New Mexico Energy, Minerals and Natural Resources Department

## **Exhibit B**

Order: PLC-780

Operator: Premier Oil & Gas, Inc. (17985)

## **Pools**

**Pool Name** 

**Pool Code** 

GRAYBURG JACKSON;SR-Q-G-SA

28509

LOCO HILLS; GLORIETA-YESO

96718

## Leases as defined in 19.15.12.7(C) NMAC

Lease

UL or Q/Q

S-T-R

NMNM 0467930

0

15-17S-30E

**ABCDEFL** 22-17S-30E

## **Pools within each Lease**

Lease	<b>Pool Code</b>	Group ID
NMNM 0467930	28509	A
NMNM 0467930	96718	В

## Wells

Well API	Well Name	UL or Q/Q	S-T-R	Group ID
30-015-30430	Dale H Parke A Tract 1 #12	L	22-17S-30E	A
30-015-30431	Dale H Parke A Tract 1 #13	${f E}$	22-17S-30E	В
30-015-30403	Dale H Parke A Tract 1 #15	C	22-17S-30E	В
30-015-30456	Dale H Parke A Tract 1 #17	В	22-17S-30E	В
30-015-30455	Dale H Parke A Tract 1 #18	D	22-17S-30E	В
30-015-30705	Dale H Parke A Tract 1 #19	E	22-17S-30E	В
30-015-30733	Dale H Parke A Tract 1 #20	D	22-17S-30E	В
30-015-30730	Dale H Parke A Tract 1 #21	C	22-17S-30E	В
30-015-30751	Dale H Parke A Tract 1 #22	В	22-17S-30E	В
30-015-30738	Dale H Parke A Tract 1 #23	A	22-17S-30E	В
30-015-31072	Dale H Parke A Tract 1 #25	0	15-17S-30E	В
30-015-31202	Dale H Parke A Tract 1 #26	A	22-17S-30E	В
30-015-35732	Dale H Parke A Tract 1 #29	C	22-17S-30E	В
30-015-36298	Dale H Parke A Tract 1 #30	D	22-17S-30E	В
30-015-36299	Dale H Parke A Tract 1 #31	C	22-17S-30E	В
30-015-36300	Dale H Parke A Tract 1 #32	В	22-17S-30E	В
30-015-36301	Dale H Parke A Tract 1 #33	D	22-17S-30E	В
30-015-39434	Dale H Parke A Tract 1 #34	В	22-17S-30E	В
30-015-37841	Dale H Parke A Tract 1 #35	A	22-17S-30E	В
30-015-39435	Dale H Parke A Tract 1 #36	A	22-17S-30E	В
30-015-36929	Dale H Parke A Tract 1 #37	0	15-17S-30E	В
30-015-37796	Dale H Parke A Tract 1 #38	0	15-17S-30E	В
30-015-36927	Dale H Parke A Tract 1 #39	E	22-17S-30E	В

30-015-37795 Dale H Parke A Tract 1 #40 E 22-17S-30E B

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 35013

## **CONDITIONS**

Operator:	OGRID:	
PREMIER OIL & GAS INC	17985	
PO Box 837205	Action Number:	
Richardson, TX 75083	35013	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

#### CONDITIONS

Created	Condition	Condition
Ву		Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	9/17/2021