

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP 21 2009

Form C-103
June 19, 2008

LM

WELL API NO. 30-015-31401
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. K 06527
7. Lease Name or Unit Agreement Name Eddy FV St.
8. Well Number #5
9. OGRID Number 17985
10. Pool name or Wildcat Avalon Delaware

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Premier Oil & Gas Inc.
3. Address of Operator P. O. Box 1246, Artesia, NM 88211-1246
4. Well Location Unit Letter _____ M _____ : _____ 660 feet from the _____ South line and _____ 810 feet from the _____ West line. Section 25 Township 20S Range 27E NMPM Eddy County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3304' KB

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kenneth C. Jones TITLE VP DATE 9/15/09

Type or print name Kenneth C. Jones E-mail address: ken.jones@premieroilgas.com PHONE: 214-543-3688

For State Use Only

APPROVED BY: James B TITLE Geologist DATE 9/23/09

Conditions of Approval (if any):

API: 30-015-31401

EDDY FV STATE #5 WORKOVER PLAN

Company Name: Premier Oil & Gas Inc.

Location: M-25-20.0S-27E, 660 FSL, 810 FWL Lat: 32.5388660834 Long: -104.240758498

- I. Stage 1 – Cement off perfs from 2,513 – 2,892
 - A. Set cement retainer 2,460' (KB). Establish injection rate. Pump 289 sxs. *Class C*
~~Pressure to _____ psi.~~ Reverse circulate 2X volume of tubing.
 - B. Let cement set at minimum 36 hrs. Rigup reverse unit, TIH w/6 drill collars and bit. Drill out cement to 2,950'. Pressure test casing to 1000 psi to check for leaks. Drill out composite plug @ 3,000'. TIH w/ casing scraper. TOH.
 - C. TIH w/ packer and set @ 2,950'. Swab perf's from 3,018' – 3,088'. Determine fluid entry and decide if second squeeze job is necessary if entry is greater than 2 bbls/hr: squeeze off perfs @ 3,018' – 3,088' or continue w/ perforating and testing new zone(s).
- II. Stage 2 – Test Upper Brushy Canyon – 1st Zone
 - A. Perf intervals 3674, 3677, 3680-3684, 3708, 3709, 3725, 3732, 3733, 3756, 3757. 1 SPF. Total 13 shots.
 - B. Set packer below bottom perf and test CIBP @ 4,000' to 2,000 psi. Acidize w/1000 gal 7 ½% NeFe w/clay stabilizers spot acid.
 - C. Flow back and swab dry. Determine oil cut and decide if we set CIBP or retrievable bridge plug @ 3,650' for producing zone or to test the next zone.
- III. Stage 3 – Test Upper Brushy Canyon – 2nd Zone
 - A. Perf 3506, 3509, 3510, 3521 – 3524, 3533, 3536 – 3538, 3544, 3552, 3553, 3557, 3558, 3562, 3563. 1 SPF. Total 18 shots.
 - B. Set packer below bottom perf and test to 2,000 psi. Acidize w/ 1000 gal 7 ½% NeFe w/clay stabilizers spot acid.
 - C. Flow back and swab dry. Determine oil cut and decide if we set CIBP or retrievable bridge plug @ 3,450' for producing zone or to test the next zone.
- IV. Stage 4 – Test Upper Brushy Canyon – 3rd Zone
 - A. Perf 3279 – 3284, 3296 – 3300, 3340 – 3346, 3372, 3373. 1 SPF. Total 20 shots.
 - B. Set packer below bottom perf and test to 2,000 psi. Acidize w/ 1500 gal 7 ½% NeFe w/clay stabilizers spot acid.
 - C. Flow back and swab dry. Determine oil cut and decide if we set CIBP or retrievable bridge plug @ 3,330'.

PREMIER OIL AND GAS, INC.

September 15, 2009

Oil Conservation Division – Artesia Office

Re: H2S Contingency Plan for Eddy FV State #5

Premier Oil & Gas Inc. is requesting an exemption to Rule 18 (H2S Contingency Plan) for our Delaware Recompletion of the FV #5. The nearest Delaware field is the Avalon Delaware Unit (ADU) which is located approximately $\frac{3}{4}$ of a mile from the unit boundary. The ADU produces sweet oil and associated gas without H2S. Premier is a WI owner in the ADU. Furthermore the nearest public area (Lake Avalon) is over 2 miles away while the nearest county road is 4000' from the well site.

Should you have any questions, please feel free to call the office number or me personally at :214-543-3688. Thank you.

Sincerely,



Kenneth C. Jones