District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

NOTIFY OCD OF SPUD & TIME TO WITNESS CEMENTING OF SURFACE & INTERMEDIATE

ources

Form C-101 May 27, 2004

RECEIVED Submit to appropriate District Office

1000 Rio Brazos Road, A <u>District IV</u> 1220 S. St. Francis Dr., S	anta Fe, NI	м 87505		*	או אייייייייייייייייייייייייייייייייייי	2	,	NOV 1 0 200	05	MENDED REPORT
APPLICATION	ON FO	R PERMIT	TO DI	RILL, RE-	ENTE	R, DE	CEPEN	OCALATE I, PLUGBA	EK, OR AI	DD A ZONE
		Operator Name arallel Petro	and Addre	ss Orn				23038	OGRID Numb	er
1004 N. Bi	1004 N. Big Spring Street, Suite 400, Midland,							30 0	API Number	784
Property Code 35236				Property Easy .	Name let	-			° W	ell No. 1
35236 W:1dc	`	Proposed Pool Wolfcamp	Gas	9748	9			¹⁰ Propo	osed Pool 2	
001(40	,			⁷ Surface	Locatio	on				
UL or lot no. Section M 4	Township 15S	Range 26E	Lot I		om the	North/So		Feet from the 760'	East/West line	County Chaves
		8 Propo	sed Botte	om Hole Loca	tion If D	ifferen	t From S	Surface		<u> </u>
UL or lot no. Section O 4	Township 15S	Range 26E	Lot 1		om the	North/So	outh line	Feet from the 760°	East/West line	County Chaves
				ditional We		matic	n			
Work Type Code		12 Well Type Co O & G	de		e/Rotary R		14	Lease Type Code P	¹⁵ Gr	ound Level Elevation 3451
16 Multiple		¹⁷ Proposed Dep 290MD,5234			mation camp			19 Contractor NA		²⁰ Spud Date NA
No Depth to Groundwater	<u></u>	2901VID,3234		e from nearest free		eli 800	,		n nearest surface	
		nils thick Clay		lume:10,000 bbls			Drilling Me			Water 12 00
Closed-Loop Sys			_	,			-	X Brine Dies	el/Oil-based	Gas/Air
		21	Propos	sed Casing a	ınd Cer	nent I	Program	n		
Hole Size	Ca	sing Size	Casing	g weight/foot	Se	tting De	epth	Sacks of Ce	ment	Estimated TOC
★ 17-1/2"	1	3-3/8"		48#		300'		440		Surface
# 12-1/4")-5/8"		36#	777	1300		325		Surface
8-3/4"		5-1/2"		17#		/D 52 D 929		NA NA		100' Above Glorieta
					101	ID 94:	7 0	 		Officia
Describe the proposed Describe the blowout pr	evention p	ogram, if any. Us	e additiona	al sheets if necess	ary.					
Well to be Drilled a cement and mud pr										tains details on the
1. Prepare surf	ace locat	ion. Move in	and rig	up drilling ri	g, spud v	well ar	ıd drill	and set condu	ctor. Install	and test BOP's.
								Set 13 3/8" ca	sing and cen	nent.
3. Drill 12 ¼" in 4. Drill 8 ¾" pr				-			_	and cement. s DLL/CNL/Ll	DT/CAL/GR	to TD.
-					-	4.7				' N and 760' E of
		section and co								
	6. Set 5 ½" to TD and cement to a point 100' above Glorieta around 2525'. Perforate porosity and stimulate as necessary									
1	(specific procedure to be determined). 7. Place well on test.									
²³ I hereby certify that the					136	10	OIL C	QNSERVAT	TION DIVI	SION
constructed according	best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X, a general permit , or an (attached) alternative OCD-approved plan .							tem le	! She	in
		1/	1/	ff.	T:41	R	1	rid II	Syn	ention
Printed name: Deane			w		Title:	N N	0V 1	6 2005 T		~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~
Title: Drilling					Approv	ai Date:			expiration Date:	VOV 1 6 2006
E-mail Address: ddurh Date: //- Q-/)	<u>ани@рин.cc</u>	Phone: 432	2-681-	3727	Conditi	one of A	nnrovel A	ttached F	esh Water	Mud to Bee'
1 Date. //- ///		1 110116. 4 32	_ 004-	J121	Condition	ons of A	ιρρισναι Α	macricu 🛂 .	~-	3

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000 Submit to Appropriate District Office State Lease - 4 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505 OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

☐ AMENDED REPORT

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name	
Property Code		erty Name SY JET	Well Number 1
OGRID No.		ator Name LEUM CORPORATION	Elevation 3425'

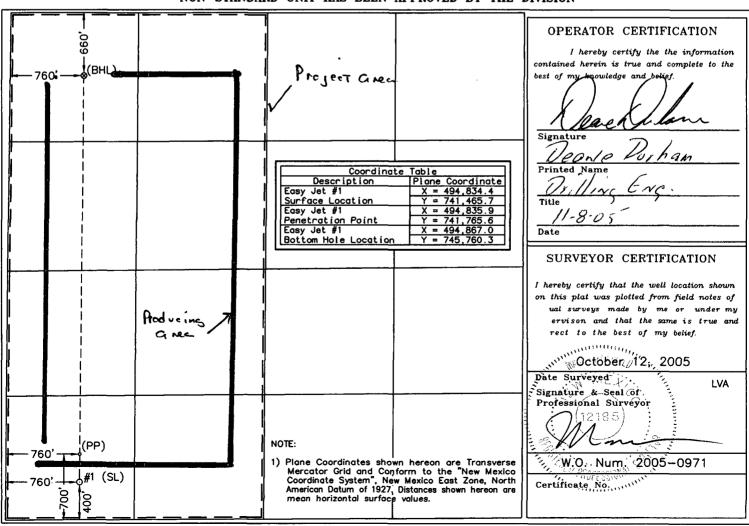
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	4	15 S	26 E		400	SOUTH	760	WEST	CHAVES

Bottom Hole Location If Different From Surface

Double Hotel Bound II billion Sullator										
UL or lot No.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	4	15 S	6 26 E		660	NORTH	760	WEST	CHAVES	
Dedicated Acres	Joint o	r Infill	Consolidation	Code O	rder No.				•	
320										

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



PARALLEL PETROLEUM CORPORATION

Easy Jet #1

SL: 760' FWL AND 400' FSL, BHL: 760' FWL AND 660' FNL SEC 4, T15S, R26E CHAVES COUNTY, NEW MEXICO

Objective

Drill a vertical well through the Wolfcamp pay. Log and evaluate for a sidetrack to horizontal in the Wolfcamp.

Expected Geologic Tops

Est GL from topo: 3425', KB 3437'. Glorieta 2525'
Tubb 3560'
Abo Shale 4300'
Wolfcamp 5235'
Wolfcamp Shale 5420'

Well Geometry

- 13 3/8" casing at 300'
- 9 5/8" casing at 1300'
- Set kick-off plug for horizontal through the zone of interest
- 5 1/2" casing through the horizontal Wolfcamp; Cement per completion.

Casing Program

<u>Hole</u>	MD	Casing	Weight	<u>Grade</u>	Coupling	COMMENT
17-1/2"	(ft) 0 - 300	13-3/8"	48	H40	ST&C	Must be below 300' (+KB).
12-1/4"	0 – 1300	9-5/8"	36	J55	LT&C	
8-3/4"	0 – 5500'	5-1/2"	17	N80	LT&C	Run through the horizontal lateral.

Casing Cementing Program

13-3/8" slurry: 440 sacks Class C + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 56.3% fresh water

9-5/8" slurry: Lead: 125 sacks (50:50) Poz (Fly Ash): Class C + 5% bwow Sodium Chloride + 10% bwoc Bentonite + 151.7% fresh water. Tail: 200 sacks Class C + 1% bwoc Calcium Chloride + 56.3% fresh water

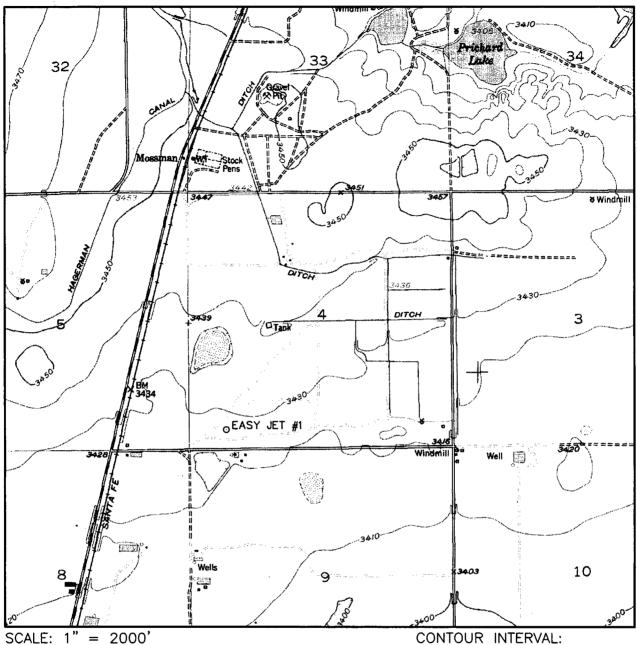
<u>Note</u>: If cement does not circulate to surface, notify OCD. A temperature survey will most likely be required. Top out to surface with 1" pipe in the annulus.

Note: 5-1/2" Cement per completion procedure. Top of Cement should be a minimum of 100' above Glorieta at 2525'.

Mud Program

<u>Depth</u>	<u>Hole</u>	MW	Visc.	WL	Synopsis
0 - 300	17-1/2"	8.4	32 - 38	No	Fresh gel Lime floc.(outer)
				control	reserve. Fresh gel sweeps, paper
					& cotton seed hulls for losses.
300 - 1300	12-1/4"	8.4 –	28 - 29	No	FRESH WATER mud only to
		8.6		control	13400 ft. Severe loss potential.
				1300	Circulate inner reserve. LCM:
				7,40	paper, fiber, cotton seed hulls.
1300 - 4100	8-3/4"	8.6 –	28 -29	No	Cut brine. Start w/existing & add
		9.2		control	brine t/80K-120K chlorides
4100 – TD	8-3/4"	8.9 –	38 - 45	6 - 10	XCD/Starch polymer as req'd
		9.5			for hole cleaning. Lubricants.
KOP – TD	8-3/4"	8.9 –	38 - 45	6 - 10	XCD/Starch polymer as req'd
Horizontal	&	9.5			for hole cleaning. Lubricants.
	7-7/8"				

LOCATION VERIFICATION MAP



= 2000'

HAGERMAN - 10'

SURVEY N.M.P.M. COUNTY CHAVES DESCRIPTION 400' FSL & 760' FWL ELEVATION 3425' OPERATOR PARALLEL PETROLEUM CORPORATION	SEC. 4	TWP. 15-5 RGE. 26-E
DESCRIPTION 400' FSL & 760' FWL ELEVATION 3425'	SURVEY	N.M.P.M.
ELEVATION 3425'	COUNTY	CHAVES
	DESCRIPTIO	ON 400' FSL & 760' FWL
	ELEVATION	3425'
	•	
LEASE EASY JET	LEASE	

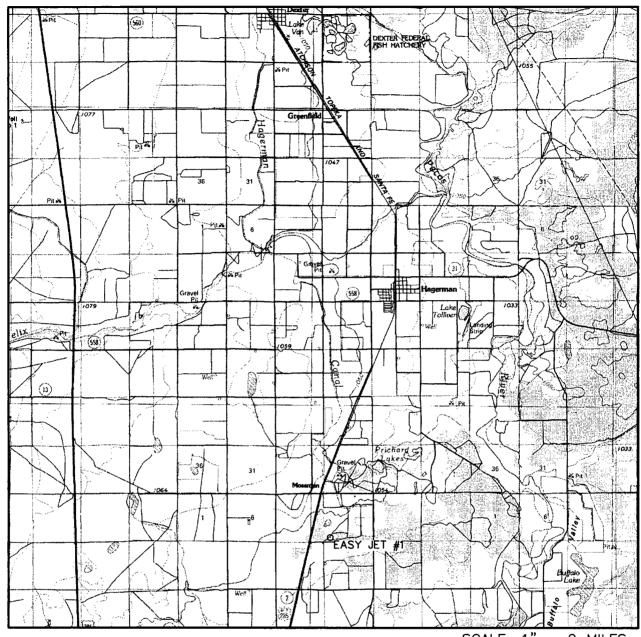
U.S.G.S. TOPOGRAPHIC MAP

HAGERMAN, N.M.

WEST



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 4	TWP. <u>15-S_</u> RGE. <u>26-E</u>							
SURVEY_	N.M.P.M.							
COUNTY	CHAVES							
DESCRIPTION 400' FSL & 760' FWL								
ELEVATIO	N_ 3425'							
OPERATOR PARALLEL PETROLEUM CORPORATION								
IFASE	FASY JET							





11	PET	AR	A L	LE PORATIO		RVEY (CALCULA	TIOI	N PROGE	RAM
OPER	ATOR:		Parallel P	etroleum (Corporatio	n	Supervisor	s:		
WELL			Easy Jet #	#1						
LOCA	TION:		Sec. 4 T-1	5-S R-26-I						
APIN	UMBER	₹;	<u> </u>							
			COMM	ENTS:						
									EC.(-/+)	
									ORR.(-/+)	
			 					IOTAL	CORR.(-/+)	0.0
		DATE:	11/04/05		TIME:	2:07 PM	TRUE TO GRID)		▼ .
MINIM	JM CURV	ATURE C	ALCULATIO	NS(SPE-3362	2) PR	OPOSED	DIRECTION[0.0	TARGET T TO CE	
SVY NUM	MD	INC	GRID AZM	TVD	VERT SECT	N-S	E-W	DLS/ 100	ABOVE(+) BELOW(-)	• • • • • • • • • • • • • • • • • • • •
TIE	0	0.0	0.0	0.0	0.0	0.0	0.0	_		
1	4853	0.0	0.0	4853.0	0.0	0.0	0.0	0.0	382.0	0.0
2	4863	1.5	0.0	4863.0	0.1	0.1	0.0	15.0	372.0	0.0
3	4873	3.0	0.0	4873.0	0.5	0.5	0.0	15.0	362.0	0.0
4	5452	90.0	0.0	5234.3	381.3	381.3	0.0	15.0	0.7	0.0
5	9290	90.0	0.0	5234.3	4219.3	4219.3	0.0	0.0	0.7	0.0

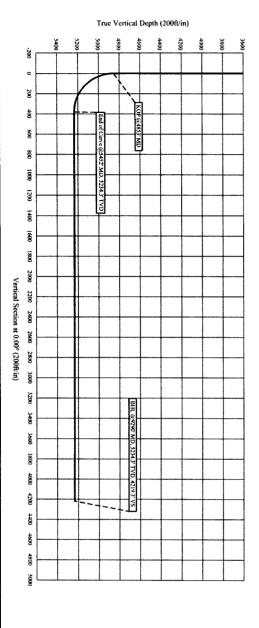
KOP @ 4853' MD BUR = 15 DEG per 100 FT End Curve @ 5452' MD, 5234.3' TVD BHL @ 9290' MD, 5234.3' TVD, 4219.3' VS

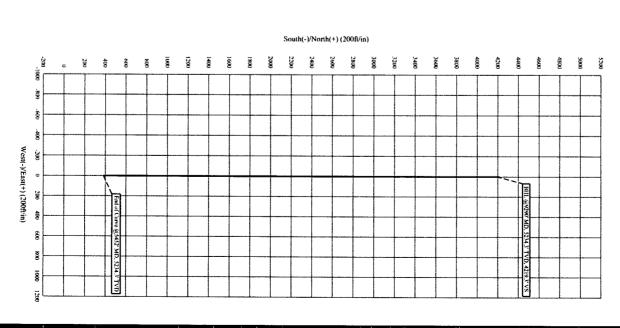
Parallel Petroleum Corp.

Easy Jet #1
Section 4, T 15-S, R 26-E
Chaves County, New Mexico

COMPANY DETAILS

Parallel Petroleum Corp. 1004 N. Big Spring, Ste 400 Midland, Texas 79701







1004 North Big Spring, Suite 400 • Midland, TX 79701 • Ph: 432-684-3727 • Fax: 432-684-3905

October 21, 2005

New Mexico Oil conservation Division 1301 W. Grand Ave. Artesia, New Mexico 88210

Re: Hydrogen Sulfide Potential

Hagerman Area Wolfcamp Program

Chavez County, New Mexico

Gentlemen:

Parallel Petroleum Corporation operates the Seabiscuit #1 well located in Section 33, T-14-S, R-26-E. The well which was tested in the Wolfcamp formation did not have any indications of hydrogen sulfide from this formation. We believe the potential for it on locations in this area are negligible.

Should you need any additional information regarding this issue, please contact me at the address or phone number listed above.

Sincerely,

Deane Durham Drilling Engineer