

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. G. Artesia, NM 88210
District III
1000 Rio Br Aztec, NM 87410
District IV
1220 S. St. 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

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO **DRILL**, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Parallel Petroleum Corp. 1004 N. Big Spring Street, Suite 400, Midland, TX. 79701		LOGID Number 230387
Property Code 36408	Property Name Charismatic 1525-5	API Number 30-005-63919
Proposed Pool 1 Wildcat; Wolfcamp		Well No. 1
Proposed Pool 2		

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	15S	25E		760'	N	208'	E	Chaves

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	15S	25E		760'	N	660'	W	Chaves

Additional Well Information

Work Type Code N	Well Type Code O & G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3552'
Multiple No	Proposed Depth 9450MD, 5250TVD	Formation Wolfcamp	Contractor NA	Spud Date NA
Depth to Groundwater 95'		Distance from nearest fresh water well 4000'		Distance from nearest surface water 10000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 25,000 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24#	1400'	325	Surface
7-7/8"	5-1/2"	17#	TVD 5250'	NA	Tie back
			MD 9450'		* To surface casing

Describe the proposed program. If this application is to DEEPEN or PLUGBACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Well to be Drilled as a Horizontal Wolfcamp test. The attached drilling plan will be utilized for this test and contains details on the cement and mud programs as well as the directional information. The following is a summary of this plan.

1. Prepare surface location. Move in and rig up drilling rig, spud well and drill and set conductor. Install and test BOP's.
2. Drill 11" surface hole to a minimum depth of 1400'. Set 8 5/8" casing and cement.
3. Drill 7 7/8" production hole 5500' TD and evaluate running mud logs as well as DLL/CNL/LDT/CAL/GR to TD.
4. Set Kickoff point at 4790' and drill and advance hole to a Wolfcamp penetration point at approximately 760' FNL and 660' FEL of the section 5 and continue drilling to BHL. (9450' MD & 5250' TVD)
5. Set 5 1/2" to TD and tie cement back to surface casing. Perforate porosity and stimulate as necessary (specific procedure to be determined).
6. Place well on test. No H2S is anticipated during the drilling of this well.
7. This well will share a drilling location and pit with the Real Quiet 1525-4 Fed Com #1

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Gary Miller, Agent for

Title: Deane Durhame, Drilling Engineer

E-mail Address: ddurham@plll.com

Date: 3-14-2007

Phone: 432-684-3727

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARANT

Title:

DISTRICT II GEOLOGIST

Approval Date: MAR 19 2007 | Expiration Date: MAR 19 2008

Oil Conservation Division

Case No.

Exhibit No. 2

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

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Frances Dr.
Santa Fe, N.M. 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97489	Pool Name Wildcat; Wolfcamp
Property Code	Property Name CHARISMATIC 1525-5	Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION	Elevation 3552'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	15 S	25 E		760	NORTH	208	EAST	CHAVES

Bottom Hole Location If Different From Surface

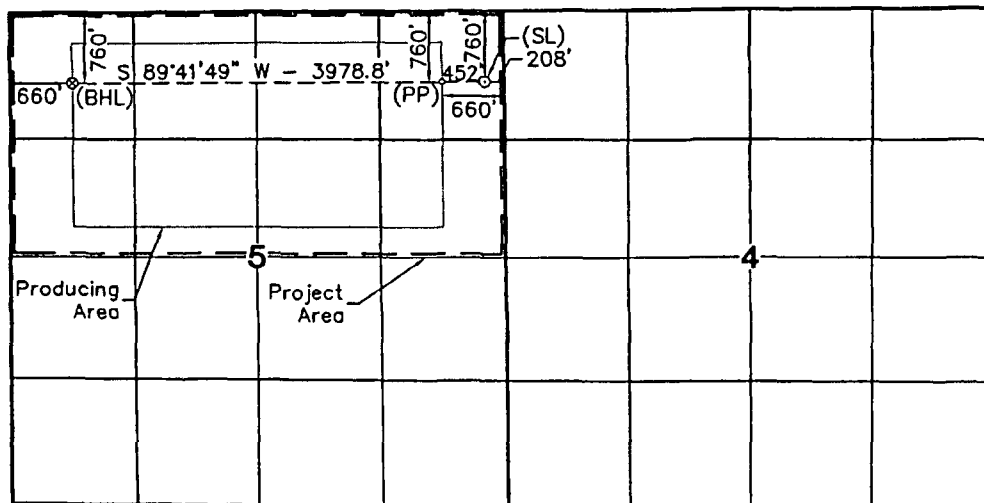
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	15 S	25 E		760	NORTH	660	WEST	CHAVES

Dedicated Acres	Joint or Infill	Consolidation Code	Order 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

NOTE:

- 1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.



<u>Bottom Hole Location</u>	<u>Penetration Point</u>	<u>Surface Location</u>
<u>Plane Coordinates</u> X = 457,706.2 Y = 745,622.4	<u>Plane Coordinates</u> X = 461,683.9 Y = 745,643.4	<u>Plane Coordinates</u> X = 462,135.7 Y = 745,645.8
<u>Geodetic Coordinates</u> Lat. 33°02'58.92" N Long. 104°28'16.91" W (NAD '27)	<u>Geodetic Coordinates</u> Lat. 33°02'59.18" N Long. 104°27'30.17" W (NAD '27)	<u>Geodetic Coordinates</u> Lat. 33°02'59.21" N Long. 104°27'24.87" W (NAD '27)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom lake location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Gary Miller, Agent Date 3-13-07
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

January 29, 2007

Date of Survey _____ LVA
Signature & Seal of Professional Surveyor _____

W.O. Num. 2007-0069

Certificate No. **MACON McDONALD** 12185