District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 District IV

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

Form C-101 May 27, 2004

1220 South St. Francis Dr.

1 1 2007 ☐ AMENDED REPORT

1220 S. St. Francis Dr , Santa Fe, NM 87505 Santa Fe							ita Fe, N	VM 875	505	ايال	J-ARTES	SIA -			
APPL	ICATI	ON F	OR	PERMIT	тоБ	RILL, R	E-ENT	ER. D	EEPEI	N. I	PLUGBA	CK. OR	AD	D A ZONE	
				Operator Name rallel Petro	and Addre	ess					PLUGBACK, OR ADD A ZONE OGRID Number 230387				
10	04 N. B	ig Spr	ing	Street, Suit	e 400,	oip. Midland,	TX. 79	X. 79701			30-0/5-35860 "Well No.				
	erty Code		Ť			³ Prope	rtv Name	Name			30-0/5-35860 *Well No.				
36794 Paris Draw State						te Unit	1624-	16				1	3		
Proposed Pool 1										10 Propo	osed Pool 2				
CCTICALICED CREEK; Wolfcamp, West								<u> </u>	-						
F				· · · · · · · · · · · · · · · · · · ·	Т			Location							
UL or lot no H	Section Township Range 17 16S 24E				t from the 880'			F	Feet from the 195' East/West line		line	County E ddy			
				⁸ Propos	sed Bott	om Hole Lo	cation If	Differe	nt From	Surf	ace				
UL or lot no H	UL or lot no Section Township Range		Lot	Idn Fee	t from the	North/S	South line		eet from the 660'	East/West I	line	County			
11	10	10.		2415	A d	lditional V					000	E		Eddy	
11 Work	Type Code			12 Well Type Coc		_	able/Rotary	Omman		Lease	e Type Code		15 Grou	and Level Elevation	
	N			O & G			R				P			3671'	
	ultiple VO		200	¹⁷ Proposed Dept OMD,4435			Formation of the contraction of				ontractor NA		:	²⁰ Spud Date NA	
Depth to Grou			070	UIVID,4433		e from nearest			00'	Τĺ		nearest surf	face w		
			mil	ls thick Clay							1200				
	d-Loop Sys		 			,		Fresh Water 🖾 Brine 🗌 Diesel/Oil-based 🗍 Gas/Air 🗍					Gas/Air 🗍		
				21	Propos	sed Casing	and C				2.110 2.10	our on our		<u> </u>	
Llola C	ies.		Casin							T	Cooler of Coo			Enternated TOC	
Hole S		 		ig Size	Casing	ng weight/foot 24#		Setting Depth 1500' / Co		+	Sacks of Cer 325	Surface		Estimated TOC Surface	
7-7/8				1/2"		17#	1	1500' / cq. 325 TVD 4435' NA				Tie back			
				·				MD 8900'		1				To surface	
														casing	
22			7.0				21.011								
				this application: ram, if any. Use				ve the dat	a on the pr	resen	t productive zo	ne and prop	osed i	new productive zone.	
Well to be	Drilled a	s a Ho	rizor	ntal Wolfcan	p test.	The attach	<u>ed drilli</u>						onta	ins details on the	
				well as the d									,,	L non	
_				i. Move in a a minimum		_ / -	~ .					tor. Insta	all ai	nd test BOP's.	
	7 7/8" pi	roduct	ion h	iole 5000' T	D and e	valuate rui	ining m	ud logs	as well	as D	LL/CNL/L	DT/CAL	/GR	to TD.	
											point at app	proximate	ely 1	800' FNL and	
				and continu							uloto oe no	accory (enaai	ific procedure to	
	termined		ne ce	ement back	o sui ia	ce casing.	renora	e poros	sity and	Stin	iuiate as ne	cessary (speci	ine procedure to	
6. Place well on test. No H2S is anticipated during the drilling of this well.															
7. Well will share a pad and common reserve pit with the Paris Draw State Unit 1624-17 #14.															
				given above is tr				OIL CONSERVATION DIVISION							
				uidelines X, a g			i i	ved by:							
(attached) alt	ternative O	CD-app	prove	d pyan 🗍.	b,						BR	YAN G.	. AF	RANT	
Printed name:	Deane	Durk	nam	Jeans	Lie	long	Title:							GEOLOGIST	
Title; Drilling							Appro	val Dage	T 1 5	200	Ex	piration Dat	te:	OCT 1 5 2008	
E-mail Addres		m@plll.	com	the difference of the second					- d. U	-U	4/				
Date: 10-8-07 Phone: 4.32 - 6.84 - 3.72.7					Condi	tions of A	nproval At	tache	.d П						

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

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

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

State of New Mexico Energy, Minerals & Natural Resources Department

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

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

□ AMENDED REPORT

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

API	Number		_	Pool Code	} -	nes.	_			
Property Code			L	<u> S260</u>	Property Nam	en weep cr	eck; well	Well Number		
Property Code			F	PARIS DE	,	13				
OGRID No.					Operator Nam		Elevation			
			PA	RALLEL	PETROLEUM	CORPORATION		3671		
					Surface Loca	ation				
UL or lot No.	Section	Township Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Н	17	16 S	24 E		1880	NORTH	195	EAST	EDDY	
	<u> </u>	<u>-</u>	Bottom	Hole Loc	cation If Diffe	rent From Sur	face			
UL or lot No.	L or lot No. Section Township			Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
		16 S 24 E		I .				ED 01		
H	16	16 S	24 E		1880	NORTH	660	EAST	EDDY	
H Dedicated Acres 320			24 E	Code Ore	1880 der No.	NORTH	660	EAST	EDUY	
Dedicated Acres	Joint or	Infill Co	nsolidation	THIS CON	der No. MPLETION UNT	NORTH IL ALL INTERES' PROVED BY THE	rs have been		<u> </u>	

(BHL) 195'-Producing Project 1 Area Ārea

> Surface Location
> Plane Coordinate
> X = 458,526.6
> Y = 700,263.8 Geodetic Coordinate
> Lat. 32°55'28.70" N
> Long. 104°36'09.70" W
> (NAD '27)
>
> F = 700,263.0
>
> Geodetic Coordinate
> Lat. 32°55'28.71" N
> Long. 104°35'59.68" W
> (NAD '27)

Penetration Point
Plane Coordinate
X = 459,381.4
y = 700,263.0

Bottom Hole Location
Plane Coordinate
X = 463,358.4
Y = 700,259.2 T = 700,259.2 <u>Geodetic Coordinate</u> Lat. 32°55'28.77" N Long. 104°35'13.02" W (NAD '27)

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 supervison and that the same is true and correct to the best of my belief

September 17, 2007

Date of Survey

NAUNI MCUMAN LVA

Signature & Seal of Professional Surveyor

ME 12185 W.O. Num: 22007-0928

Certificate No. MACON MCDONALD 12185

	PET	AR	A L	PORATIO		IRVEY (CALCUL	ATION	I PROGF	RAM
PER	ATOR			etroleum (on	Superviso	re		
NELL				w State Un			Caperviso	<u>, , , , , , , , , , , , , , , , , , , </u>	<u>` </u>	
	TION:			6 T-16-S F		0 # 10	1			
			11/2 000. 1	10 1-10-01						
·:	•	-	COMM	ENTS:						
								MAG D	EC.(-/+)	
								GRID C	ORR.(-/+)	
								TOTAL	CORR.(-/+)	0.0
		DATE:	10/02/07		TIME:	1:47 PM	TRUE TO GRI	D		▼
MINIM	JM CURV	ATURE C	ALCULATIO	NS(SPE-3362	2)· · P	ROPOSED	DIRECTION	90.0	TARGET T	RACKING
						•	÷ .		TO CE	NTER
SVY			GRID		VERT	٠٠.		DLS/	ABOVE(+)	RIGHT(+)
MUN	MD	INC	AZM	TVD	SECT	N-S	E-W	100	BELOW(-)	LEFT(-)
TIE	0	0.0	0.0	0.0	0.0	0.0	0.0			
1	3580	0.0	0.0	3580.0	0.0	0.0	0.0	0.0	855.0	0.0
2	3590	0.7	90.0	3590.0	0.1	0.0	0.1	7.0	845.0	0.0
3	3600	1.4	90.0	3600.0	0.2	0.0	0.2	7.0	835.0	0.0
4	4924	90.0	90.0	4435.0	855.9	0.0	855.9	6.7	0.0	0.0
5	8900	90.0	90.0	4435.0	4832.3	0.0	4832.3	0.0	0.0	0.0

KOP @ 3580' MD BUR = 6.7 DEG per 100 FT End Curve @ 4924' MD, 4435' TVD BHL @ 8900' MD, 4435' TVD, 4832' VS

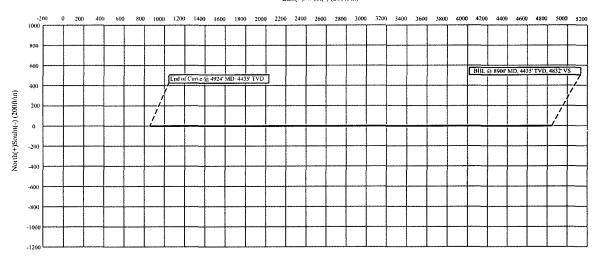
Parallel Petroleum Corp.

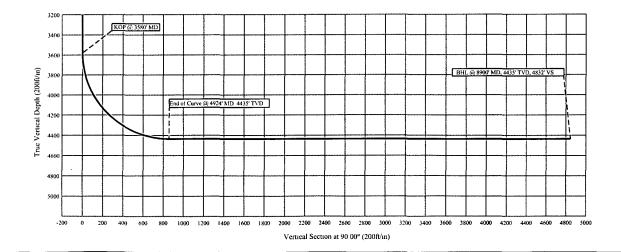
COMPANY DETAILS

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

Paris Draw State Unit 1624-16 #13 N/2 Sec. 16, T-16-S, R-24-E Eddy County, New Mexico

East(+)/West(-) (200ft/in)





PARALLEL PETROLEUM CORPORATION PARIS DRAW STATE UNIT 1624-16 #13

SL: 1880' FNL AND 195' FEL, BHL: 1880' FNL AND 660' FEL SL: SEC 17, T16S, R24E, BHL: SEC 16, T16S, R24E EDDY COUNTY, NEW MEXICO

Objective

Drill a horizontal in the Wolfcamp.

Expected Geologic Tops

GL: 3671', KB 3687'. Glorieta 1365' Tubb 2375' Abo Shale 3020' Wolfcamp 4435' Wolfcamp Shale 4545'

Well Geometry

1000

- 8 5/8" casing at 15/00'
- kick-off at 3580' for horizontal zone of interest
- 5 1/2" casing through the horizontal Wolfcamp; Acid soluble cement per completion.

Casing Program

Hole	MD	Casing	Weight	Grade	Coupling	COMMENT
	(ft)	00				
11"	07	6 -5/8"	24	J55	ST&C	
	1800					
7-7/8"	0 –	5-1/2"	17	N80	LT&C	Run through the
	8900'					horizontal lateral.

Casing Cementing Program

8-5/8" 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

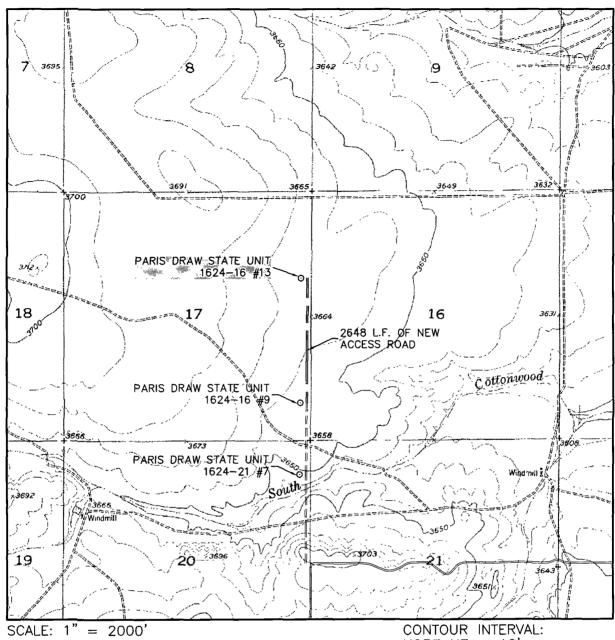
<u>Note</u>: If cement does not circulate to surface, notify OCD. A temperature survey will be required. Top out to surface with 1" pipe in the annulus.

Note: 5-1/2" Cement with acid-soluble CMT per completion procedure. Top of cement should be a tied-back to surface casing.

Mud Program

Depth	<u>Hole</u>	MW	Visc.	<u>WL</u>	Synopsis
0 - 1500	11"	8.4 –	28 - 29	No	FRESH WATER mud only to
/		8.6		control	1500 ft. Severe loss potential.
. /					Circulate inner reserve. LCM:
					paper, fiber, cotton seed hulls.
1500 – 3000	7-7/8"	8.6 –	28 -29	No	Cut brine. Start w/existing & add
		9.2		control	brine t/50K- 60K chlorides
3000 – KOP	7-7/8"	8.9 – 9.5	38 - 45	12-14	XCD/polymer as req'd for hole cleaning. Lubricants.
KOP – TD Horizontal	7-7/8"	8.9 – 9.5	38 - 45	12-14	XCD/polymer as req'd for hole cleaning. Lubricants.

LOCATION VERIFICATION MAP



SEC. 17 TWP. 16-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 1880' FNL & 195' FEL

ELEVATION 3671'

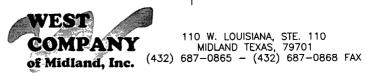
OPERATOR PARALLEL PETROLEUM CORPORATION

LEASE PARIS DRAW STATE UNIT 1624-16

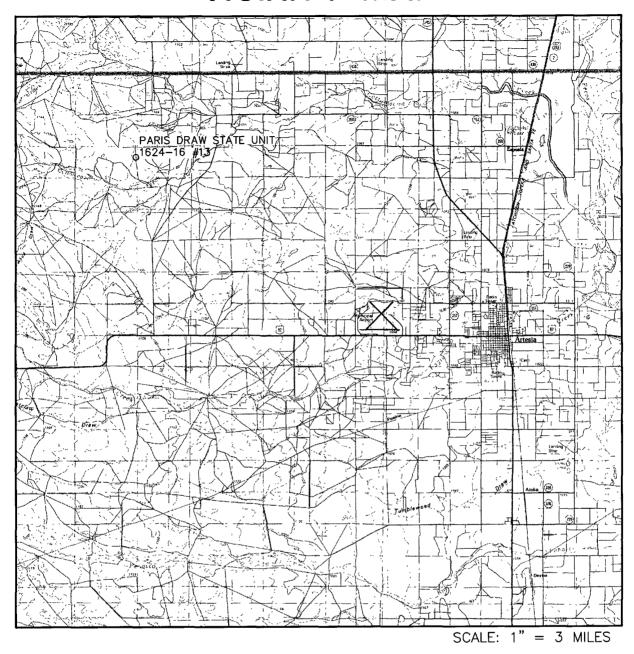
U.S.G.S. TOPOGRAPHIC MAP HOPE NE

HOPE NE - 10'





VICINITY MAP



SEC. 17 TWP. 16-S RGE. 24-E SURVEY N.M.P.M. COUNTY CHAVES DESCRIPTION 1880' FNL & 195' FEL ELEVATION 3671' OPERATOR PARALLEL PETROLEUM CORPORATION LEASE PARIS DRAW STATE UNIT 1624-16



