

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

Form C-103
May 27, 2004



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

WELL API NO. 30-015-35643
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name 1625 STATE COM
8. Well Number 202
9. OGRID Number 218885
10. Pool name or Wildcat COTTONWOOD CREEK-WOLFCAMP

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 ☐ Gas Well ☒ Other ☐

JAN 30 2008

2. Name of Operator
LCX ENERGY, LLC

OCD-ARTESIA

3. Address of Operator
110 N. MARIENFELD, STE. 200, MIDLAND, TX 79701

4. Well Location

Unit Letter O : 660 feet from the SOUTH line and 1880 feet from the EAST line
Section 20 Township 16S Range 25E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3540' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER ☒ : Frac

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.

1/11/08 - MIRU BJ's equipment. Test Lines, Plunger was broke on one of the pumps, Repaired pump.
Frac Stage # 1 @ 80 bpm w/3150 psi OK, ISDP= 1480 psi. Fluids = 2407 bbls, Sand = 13,996 lbs., CO2 = 65 Tons. R/U wireline & RIH w/ plug and guns to top of curve, pump plug down to 7595', tried to set plug, nothing would work, POOH w/tools, found middle gun had a leak and guns were wet, C/O Tool string. RIH w/ new guns and plug to top of curve, pump plug down to 7595' & set Plug, P/U to 7492' & shot 14 holes, P/U to 7279' & shot 13 holes, P/U to 7066' & shot 12 holes, P/U to 6853' & shot 11 holes, POOH & L/D setting tool & guns.
Frac Stage # 2 @ 80 bpm w/ 3100 psi, OK, ISDP = 1940 psi, 2435 bbls water, 14,005 lbs Sand, 68 Tons CO2. RIH w/new guns and plug to top of curve, pump plug down to 6695' & set Plug, P/U to 6640' & shot 14 holes, P/U to 6427' & shot 13 holes, P/U to 6219' & shot 12 holes, P/U to 6001' & shot 11 holes, POOH & L/D setting tool & guns.
Frac Stage # 3 @ 80 bpm w/ 3100 psi, 2394 bbls water, 15,269 lbs Sand, 70 tons CO2, ISDP= 2505 psi. RIH w/ plug & guns to top of curve, pump plug down to 5900' & set plug, P/U to 5788' & shot 14 holes, P/U to 5575' & shot 13 holes, P/U to 5362' & shot 12 holes, P/U to 5149' & shot 11 holes, POOH w/ guns & setting tool, L/D Tools, R/D wireline equipment.
Frac Stage # 4 @ 80 bpm w/ 2793 psi OK, 2631 bbls. Water, 18,935 lbs Sand, 87 Tons CO2.

Open well w/ 1500 psi on casing and start flowing well back, turn well over to flow back crew.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jenifer Sorley TITLE REGULATORY ANALYST DATE 1/28/08
Type or print name JENIFER SORLEY E-mail address: Jenifer@eeronline.com Telephone No. 432-262-4014

For State Use Only **FOR RECORDS ONLY**

FEB 01 2008

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Parallel Petroleum Corporation** 230387

3a. Address
1004 N. Big Spring St., Suite 400, Midland, Texas 79701

3b. Phone No. (include area code)
432/684-3727

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SL 1860' FNL and 200' FWL, Sec 4, T20S-R20E
BHL 1860' FNL and 660' FWL, Sec 5, T20S-R20E**

5. Lease Serial No.

NM NM 115997

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Hop Sing 2020-5 Federal #1H

9. API Well No.

30-005-63911

10. Field and Pool, or Exploratory Area

Wildcat; Wolfcamp

11. County or Parish, State

Chaves, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Extension of
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	approved drilling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	permit

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Request the approved permit for this well be extended for 2 years.

RECEIVED

JAN 22 2008

HOBBS OCD

**APPROVED FOR 24 MONTH PERIOD
ENDING 2-26-10**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Deane Durham

Title **Engineer**

Signature

Deane Durham

Date

12/17/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/s/ DAVID D. EVANS

FIELD MANAGER

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

JAN 16 2008

Office

CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Parallel Petroleum Corp.
LEASE NO.:	NM115997
WELL NAME & NO.:	Hop Sing 2020-5 Federal #1H
SURFACE HOLE FOOTAGE:	1860' FNL & 200' FWL Sec. 4 T20S, R20E
BOTTOM HOLE FOOTAGE:	1860' FNL & 660' FWL
LOCATION:	Section 5, T20S., R20E., NMPM
COUNTY:	Chavez County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in this section, it is always a possible hazard. Only minor concentrations of H₂S have been measured in the area, in three wells producing from the Little Box Canyon Morrow in the Section 7. If Hydrogen Sulfide is encountered, please report measured amounts to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

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B. CASING

1. The **8 5/8 inch** surface casing shall be set at **1500 feet** and cemented to the surface.

Possible loss of circulation in the San Andres, Glorieta, and Wolfcamp Formations.

- a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. Wait on cement (WOC) time for a primary cement job will be a **minimum 18 hours for a water basin**, 24 hours in the potash area, **or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).**
 - c. **Please provide WOC times to inspector for cement slurries.**
 - d. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - e. If cement falls back, remedial action will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 5 1/2 inch production casing is:
 - ☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
 - a. **Please provide WOC times to inspector for cement slurries.**
 3. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

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2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi. As submitted in APD.
3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

Engineer on call phone (after hours only): Carlsbad: (575) 706-2779

JDW/1/15/2008 (date)

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