

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 LLC

3a. Address

1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79702

3b. Phone No. (include area code)

432-685-6563

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

SL: 760 ENL & 190 FEL, SEC 5, T15S-R25E

5. Lease Serial No.

NM-112249

6. If Indian, Allottee or Tribe Name

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

NM-122010

8. Well Name and No.

REAL QUIET 1525-4 FED COM 1H

9. API Well No

30-005-63947

10. Field and Pool, or Exploratory Area

WALNUT CREEK-WOLFCAMP

GAS POOL - 97631

11. County or Parish, State

CHAVES

NM

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☐ Other _____ |
| ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | |
| ☐ Convert to Injection | ☐ Plug Back | ☒ Water Disposal | |

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 final site is ready for final inspection.)

AS PER YOUR REQUEST FOR ADDITIONAL INFORMATION, PLEASE SEE ATTACHMENT WITH ITEMS 1 THRU 7 ADDRESSED FOR OUR WATER DISPOSAL INFORMATION

Accepted for record

NMOCD RF

8/17/10

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

KAYE MC CORMICK

Title

SR PROD & REG TECH

Date

06-29-2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

PETROLEUM ENGINEER

Date

AUG 04 2010

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

Office

ROSWELL FIELD OFFICE

WATER PRODUCTION & DISPOSAL INFORMATION

FOLLOWING FOR: Real Quiet 1H, API 30-005-63947

1. Name of formations producing water on the lease:
WOLFCAMP
2. Amount of water produced from all formations in barrels per day:
3.0 BWPD
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph and the concentrations of chlorides and sulfates.
(One sample will suffice if water is commingled.)
**PRODUCED WATER ANALYSIS DATED 06-22-2010 BY BJ
CHEMICAL ATTACHED**
4. How water is stored on lease.
ABOVE GROUND CLOSED TOP FIBERGLASS TANKS
5. How water is moved to the disposal facility.
TRANSPORTED BY COMMERCIAL TANK-TRUCK VENDOR
6. Identify the Disposal Facility by:
 - A. Facility Operators Name.
Mesquite SWD Inc.
 - B. Name of facility or well name and number
Ann SWD #001, API 30-015-23580
 - C. Type of facility or well (WDW) (WIW) etc.
DISPOSAL WELL (WDW)
 - D. Location by $\frac{1}{4}$ $\frac{1}{4}$
1980 FNL & 1980 FEL, Unit G, Sec 18, T19S, R26E, Eddy Co.
7. Attach a copy of the State issued permit for the Disposal Facility.
COPY OF PERMIT APPROVAL ATTACHED

Submit to this office: **ATTN: Linda Jimenez, Bureau of Land Management, 2909 West 2nd Street, Roswell, NM 88201**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies within abatement period. (This form may be used as an attachment to the Sundry Notice.) If you need further direction on this matter, feel free to call Linda Jimenez @ (575)-627-0263 (office)

Analytical Laboratory Report for:

**PARALLEL PETROLEUM NM LEASES
ONLY**



BJ Chemical Services

Account Representative:

Richard D Nailon

Partial Water Analysis

Listed below please find water analysis report from: Real Quiet, #1

Lab Test No: 2010130389 Sample Date: 06/22/2010

pH: 8.25

Cations:	mg/L	as:
Calcium	1720.00	(Ca ⁺⁺)
Magnesium	475.00	(Mg ⁺⁺)
Sodium	9033	(Na ⁺)
Iron	0.86	(Fe ⁺⁺)
Potassium	79.0	(K ⁺)
Barium	0.00	(Ba ⁺⁺)
Strontium	48.00	(Sr ⁺⁺)
Manganese	0.07	(Mn ⁺⁺)
Anions:	mg/L	as:
Sulfate	900	(SO ₄ ⁼)
Gases:		
Carbon Dioxide		(CO ₂)
Hydrogen Sulfide		(H ₂ S)

Lab Comments:

COULD NOT RUN BICARB OR CHLORIDES, DO TO INTERFERENCES.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Ralph Nix made application to the New Mexico Oil Conservation Division on June 18, 1982, for permission to complete for salt water disposal its Ann Well No. 1 located in Unit G of Section 18, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico.

The Division Director finds:

(1) That application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;

(2) That satisfactory information has been provided that all offset operators and surface owners have been duly notified; and

(3) That the applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met.

(4) That no objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant herein, Ralph Nix is hereby authorized to complete its Ann Well No. 1, located in Unit G of Section 18, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Cisco Canyon formation at approximately 7770 feet to approximately 8110 feet through 2 7/8 inch plastic lined tubing set in a packer located at approximately 7750 feet.

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

That the injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1560 psi.

That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Cisco Canyon formation.

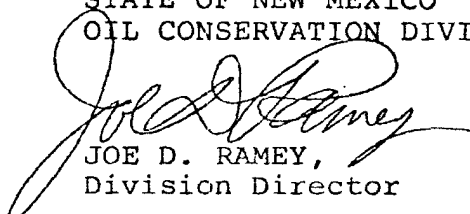
That the operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER, That jurisdiction of this cause is hereby retained by the Division for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after notice and hearing, the Division may terminate the authority hereby granted in the interest of conservation. That applicant shall submit monthly reports of the disposal operations in accordance with Rule 706 and 1120 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 13th of July, 1982.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Division Director

S E A L

BUREAU OF LAND MANAGEMENT

**Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a wire screen to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office for wells in Chaves or Roosevelt County if you have not already done so.