

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

CEMENT TO COVER ALL OIL,
GAS AND WATER BEARING
ZONES

Source RECEIVED

Form C-101
May 27, 2004

on FEB 09 2006 Submit to appropriate District Office
f. **OCD-ARTESIA** ☒ AMENDED REPORT

Santa Fe, NM 87505

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

¹ Operator Name and Address Parallel Petroleum Corp. 1004 N. Big Spring Street, Suite 400, Midland, TX. 79701		² OGRID Number
		³ API Number 3000563784
⁴ Property Code	⁵ Property Name Easy Jet	⁶ Well No. 1
⁹ Proposed Pool 1 Wildcat; Wolfcamp GAS		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. O	Section 4	Township 15S	Range 26E	Lot Idn	Feet from the 660	North/South line N	Feet from the 760'	East/West line W	County Chaves
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no. M	Section 4	Township 15S	Range 26E	Lot Idn	Feet from the 400'	North/South line S	Feet from the 760'	East/West line W	County Chaves
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O & G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3444
¹⁶ Multiple No	¹⁷ Proposed Depth 9290MD, 5234TVD	¹⁸ Formation Wolfcamp	¹⁹ Contractor NA	²⁰ Spud Date NA
Depth to Groundwater 65'		Distance from nearest fresh water well 1200'		Distance from nearest surface water 2300'
Pit: Liner: Synthetic X 12 mils thick Clay <input type="checkbox"/> Pit Volume: 10,000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water X Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	36#	1300'	225	Surface
8-3/4"	5-1/2"	17#	TVD 5234'	NA	100' Above
			MD 9290'		Glorieta

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, 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 12 1/4" Surface hole to a minimum depth of 1300'. Set 9 5/8" casing and cement.
3. Drill 8 3/4" production hole 5500' TD and evaluate running mud logs as well as DLL/CNL/LDT/CAL/GR to TD.
4. Set Kickoff point at 4853' drill and advance hole to a Wolfcamp penetration point at approximately 700' S and 760' E of the NW corner of the section and continue drilling to BHL. (9290' MD & 5234' TVD)
5. Set 5 1/2" to TD and cement to a point 100' above Glorieta around 2525'. Perforate porosity and stimulate as necessary (specific procedure to be determined).
6. Place well on test.
7. No H2S if anticipated during the drilling of this well.

²³ 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 NMOCD guidelines X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐

Printed name: Deane Durham

Title: Drilling Engineer

E-mail Address: ddurham@p111.com

Date: 2-7-06

Phone: 432-684-3727

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of A

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

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
Fee Lease - 3 Copies

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

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 9748	Pool Name
Property Code	Property Name EASY JET	Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION	Elevation 3444'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	4	15 S	26 E		400	NORTH	760	WEST	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
M	4	15 S	26 E		660	SOUTH	760	WEST	CHAVES

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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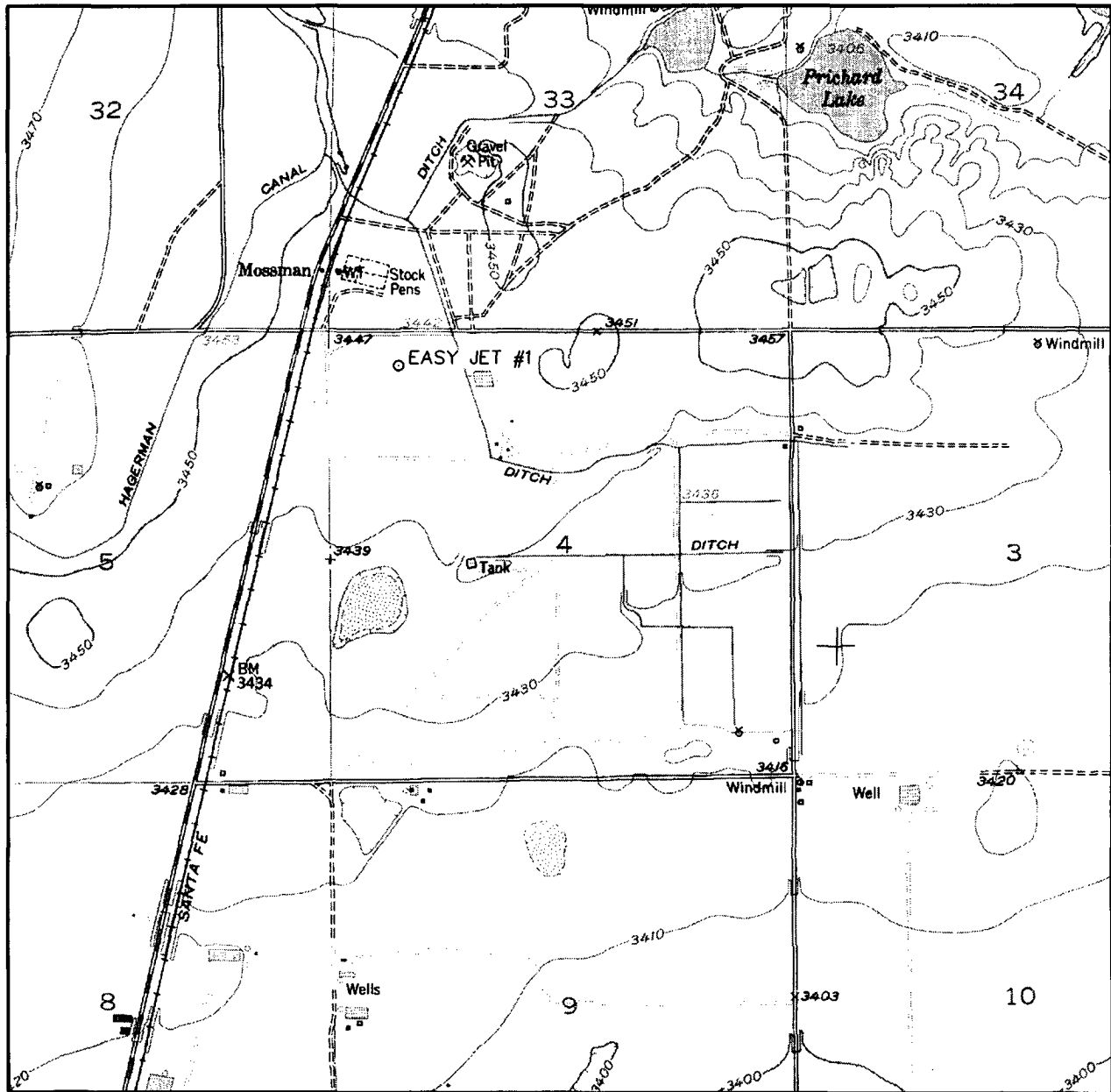
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Project Area</p> <p>Producing Area</p> <p>Coordinate Table</p> <table><thead><tr><th>Description</th><th>Plane Coordinate</th></tr></thead><tbody><tr><td>Easy Jet #1</td><td>X = 494,869.1</td></tr><tr><td>Surface Location</td><td>Y = 746,020.1</td></tr><tr><td>Easy Jet #1</td><td>X = 494,866.5</td></tr><tr><td>Penetration Point</td><td>Y = 745,720.3</td></tr><tr><td>Easy Jet #1</td><td>X = 494,835.6</td></tr><tr><td>Bottom Hole Location</td><td>Y = 741,725.5</td></tr></tbody></table>	Description	Plane Coordinate	Easy Jet #1	X = 494,869.1	Surface Location	Y = 746,020.1	Easy Jet #1	X = 494,866.5	Penetration Point	Y = 745,720.3	Easy Jet #1	X = 494,835.6	Bottom Hole Location	Y = 741,725.5	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p></p> <p>Printed Name</p> <p></p> <p>Title</p> <p>2-7-06</p> <p>Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of ual surveys made by me or under my ervision and that the same is true and rect to the best of my belief.</p> <p>February 2, 2006</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p></p> <p>W.O. Num. 2005-0971</p> <p>Certificate No.</p>
Description	Plane Coordinate														
Easy Jet #1	X = 494,869.1														
Surface Location	Y = 746,020.1														
Easy Jet #1	X = 494,866.5														
Penetration Point	Y = 745,720.3														
Easy Jet #1	X = 494,835.6														
Bottom Hole Location	Y = 741,725.5														

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.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HAGERMAN - 10'

SEC. 4 TWP. 15-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 400' FNL & 760' FWL

ELEVATION 3444'

OPERATOR PARALLEL PETROLEUM CORPORATION

LEASE EASY JET

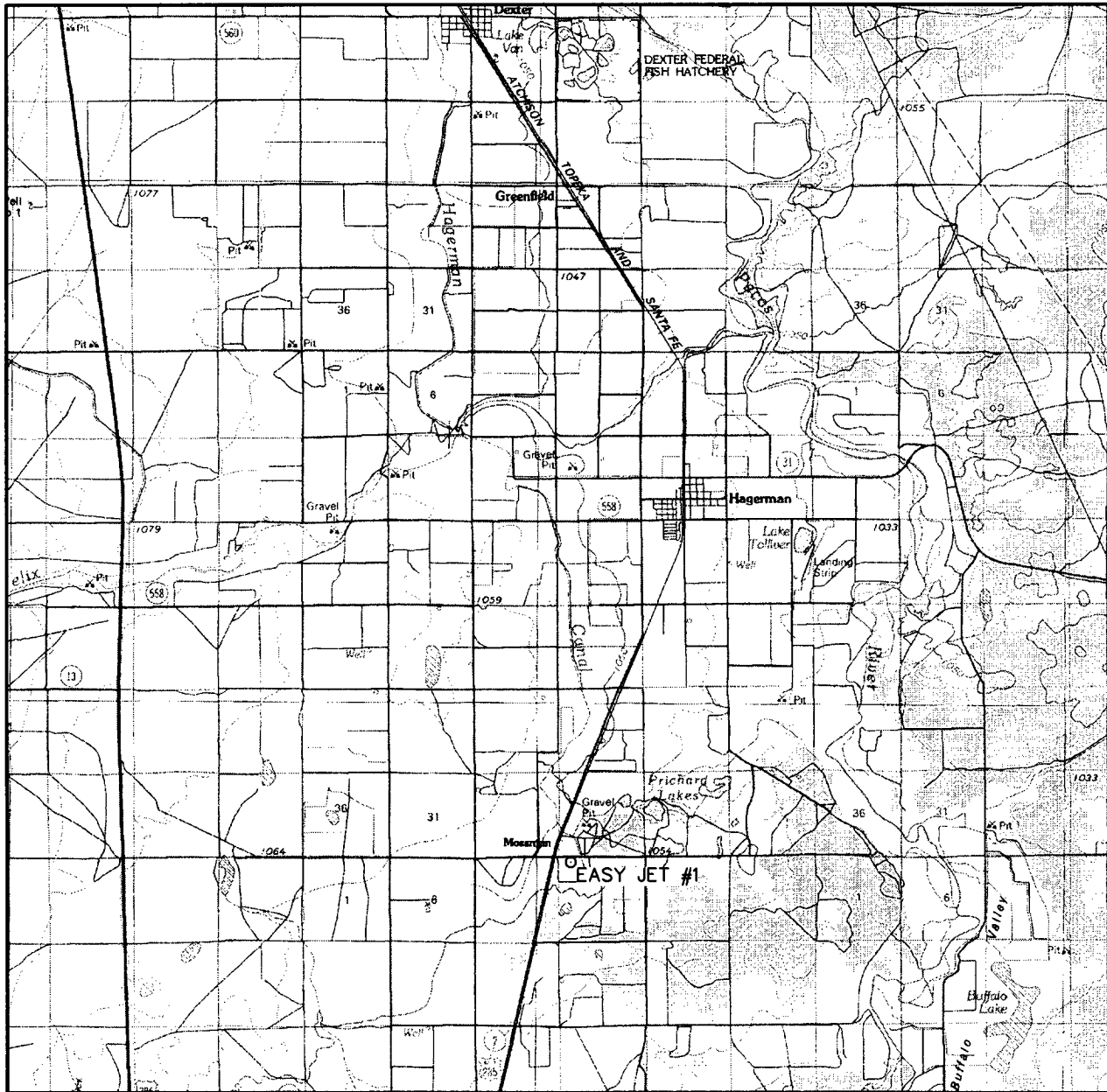
U.S.G.S. TOPOGRAPHIC MAP
HAGERMAN, N.M.



**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 4 TWP. 15-S RGE. 26-E
 SURVEY N.M.P.M.
 COUNTY CHAVES
 DESCRIPTION 400' FNL & 760' FWL
 ELEVATION 3444'
 OPERATOR PARALLEL PETROLEUM CORPORATION
 LEASE EASY JET



**WEST
COMPANY**
 of Midland, Inc.

110 W. LOUISIANA, STE. 110
 MIDLAND TEXAS, 79701
 (432) 687-0865 - (432) 687-0868 FAX

PARALLEL PETROLEUM CORPORATION
Easy Jet #1
SL: 760' FWL AND 400' FNL, BHL: 760' FWL AND 660' FSL
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

GL ELEV: 3444', KB 3456'.
Glorieta 2525'
Tubb 3560'
Abo Shale 4300'
Wolfcamp 5235'
Wolfcamp Shale 5420'

Well Geometry

- 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>	<u>MD</u> <u>(ft)</u>	<u>Casing</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>	<u>COMMENT</u>
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

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

Note: 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>	<u>MW</u>	<u>Visc.</u>	<u>WL</u>	<u>Synopsis</u>
0 - 1300	12-1/4"	8.4 – 8.6	28 - 29	No control	FRESH WATER mud only to 1200 ft. Severe loss potential. Circulate inner reserve. LCM: paper, fiber, cotton seed hulls.
1300 – 4100	8-3/4"	8.6 – 9.2	28 -29	No control	Cut brine. Start w/existing & add brine t/80K-120K chlorides
4100 – TD	8-3/4"	8.9 – 9.4	38 - 45	10-12	XCD/Starch polymer as req'd for hole cleaning. Lubricants.
KOP – TD Horizontal	8-3/4" & 7-7/8"	8.9 – 9.4	38 - 45	10-12	XCD/Starch polymer as req'd for hole cleaning. Lubricants.

Parallel Petroleum Corp.

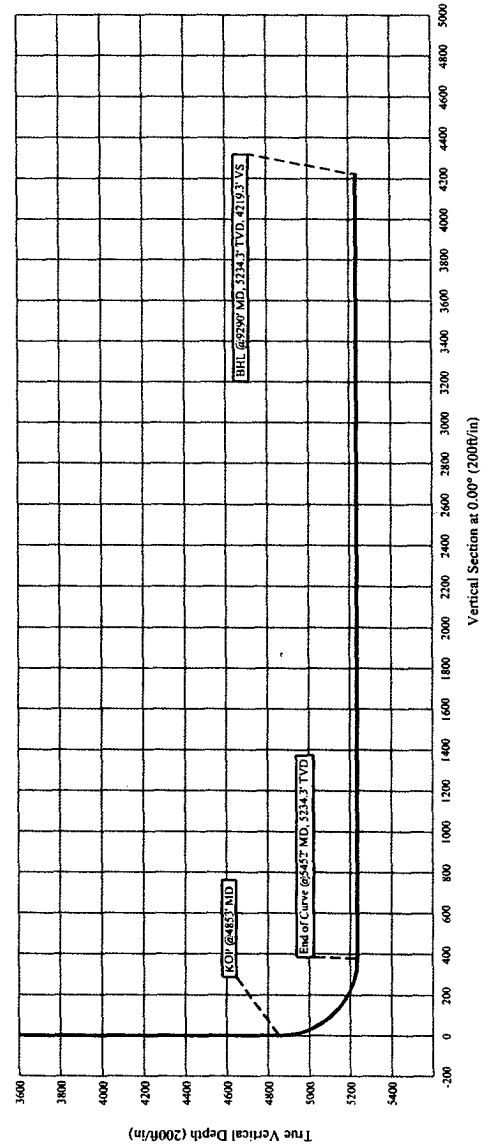
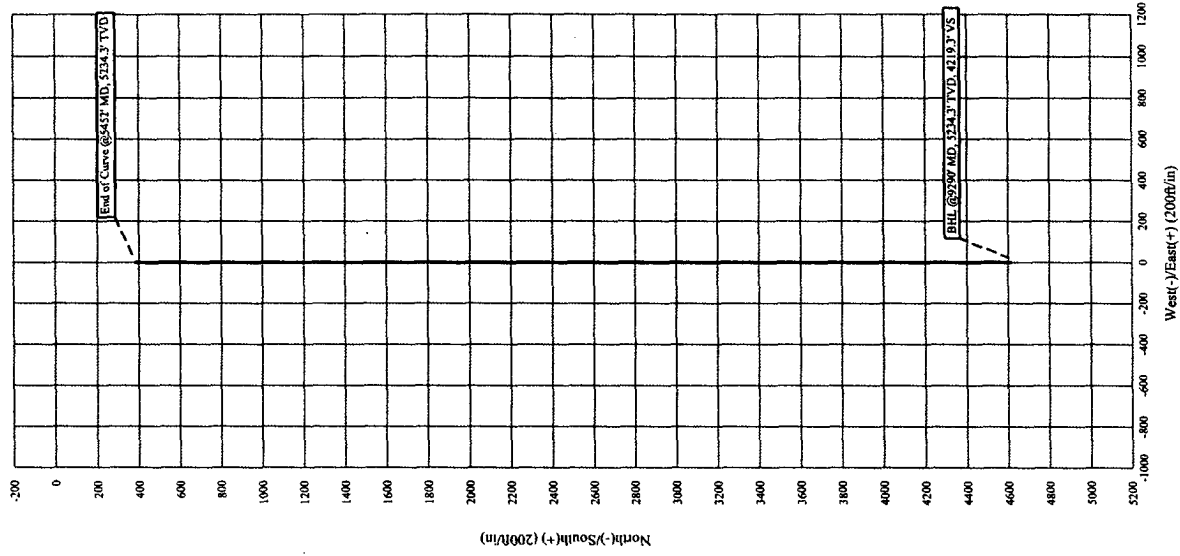
Easy Jet #1

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



PARALLEL SURVEY CALCULATION PROGRAM PETROLEUM CORPORATION

OPERATOR:	Parallel Petroleum Corporation		Supervisors:	
WELL:	Easy Jet #1			
LOCATION:	Sec. 4 T-15-S R-26-E			
API NUMBER:				
COMMENTS:				
			MAG DEC. (-/+)	
			GRID CORR. (-/+)	
			TOTAL CORR. (-/+)	0.0

DATE: 02/03/06 TIME: 1:13 PM TRUE TO GRID ☐

MINIMUM CURVATURE CALCULATIONS(SPE-3362)					PROPOSED DIRECTION			180.0	TARGET TRACKING TO CENTER	
SVY	MD	INC	GRID	VERT				DLS/	ABOVE(+)	RIGHT(+)
NUM			AZM	SECT	N-S	E-W		100	BELOW(-)	LEFT(-)
TIE	0	0.0	180.0	0.0	0.0	0.0				
1	4853	0.0	180.0	4853.0	0.0	0.0		0.0	382.0	0.0
2	4863	1.5	180.0	4863.0	0.1	-0.1		15.0	372.0	0.0
3	4873	3.0	180.0	4873.0	0.5	-0.5		15.0	362.0	0.0
4	5452	90.0	180.0	5234.3	381.3	-381.3		15.0	0.7	0.0
5	9290	90.0	180.0	5234.3	4219.3	-4219.3		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



Highlander Environmental Corp.

Midland, Texas

February 7, 2006

Mr. Brian Arrant
State Of New Mexico,
Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 88210

RECEIVED
FEB 09 2006
OCD-ARTESIA

Re: Parallel Petroleum Corporation, Easy Jet #1
Chaves County, New Mexico
API # 30-005-63784

Dear Mr. Barton

The attached is an amended C-101 and C-102 for the Easy Jet #1 wellsite. Parallel Petroleum Corporation request to amend the original permit to change the surface location.

I will be acting as agent for Parallel for the permitting of this well. If you have any questions please call at 432-682-4559 or email me at gmliller@hec-enviro.com.

Sincerely,

Gary E. Miller, Agent