# N.M. Charles DIV-Dist 2

1301 W. Grand Avenue

Form 3160-5

UNITED STATES TERIOR, NM 88210

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 OCD-ARTESIA

NOV 29 2007

(April 2004)

BUREAU OF LAND MANAGEMENT

5. Lease Serial No.

SUNDRY	<b>NOTICES</b>	AND	<b>REPORTS</b>	ON	<b>WELLS</b>	NM

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

NM 112250 6. If Indian, Allottee or Tribe Name

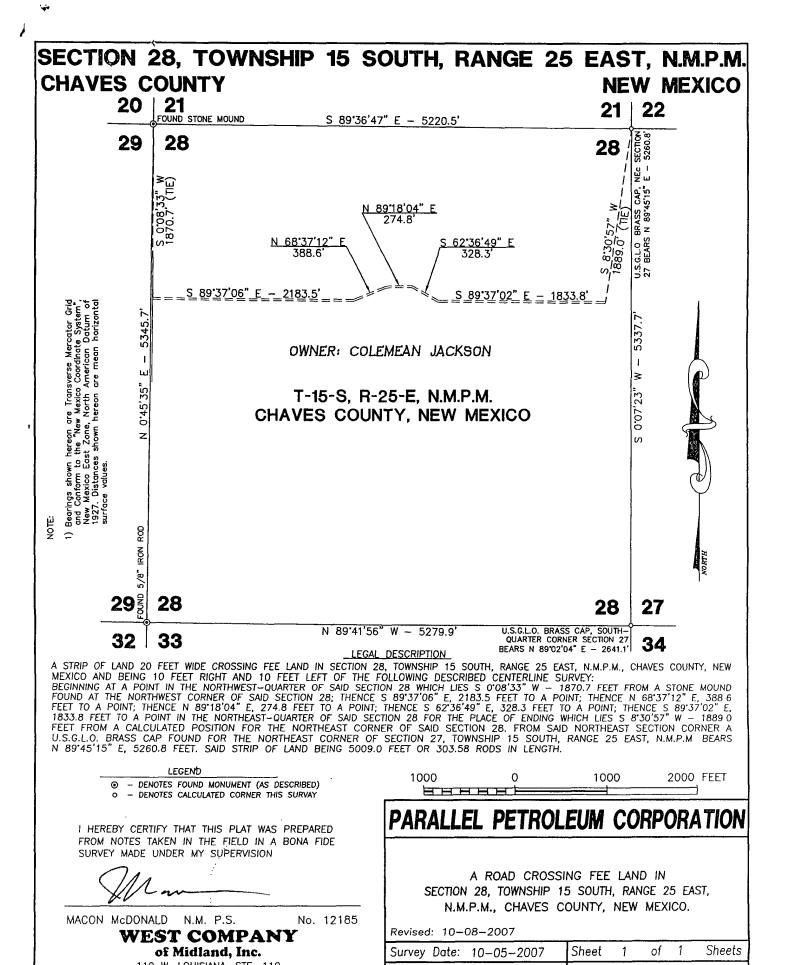
	000 : 0 0 0 (.	2) cao p.o.				
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.  8. Well Name and No. Go For Wind 1525-29 Fed Com #1  9. API Well No.		
1. Type of Well Oil Well Gas Well Other						
2. Name of Operator Parallel Petroleum Corporation						
Ba. Address 1004 North Big Spring, Suite 4	3b. Phone No. (include area code) 432/684-3727		30-005-63966  10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				Wolfcamp		
29, T15S, R25E, SHL 760' FNL AND 150' FWL Sec 28, T-15S-R25E					11. County or Parish, State	
				Chaves, N	M	
12. CHECK AF	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, R	EPORT, OR C	OTHER DATA	
TYPE OF SUBMISSION		TYP	E OF ACTION			
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Standard Reclamation Recomplete Temporarily Al Water Disposal	oandon	Water Shut-Off Well Integrity Other	
13. Describe Proposed or Complete	ed Operation (clearly state all perti		•	* * *		

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 recompletion 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.)

This is the second sundry notice to change the main access to the above mentioned wellsite to include and access to US 285 from the east. An arch issue was discovered during the review of the first east west road. The attached plats shows the new route that will be used. The entire road located on Fee surface owned by Mr. Coleman Jackson, Artesia NM.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)						
	Title Agent					
Signature	Date 10-9-0-7					
THIS SPACE FOR FEDERALOR STATE OFFICE USE  (S/ Angel Manes  Angel Manes						
Approved by  /S/ Angel Mayes	and And Minerals Date NOV 14 2007					
Conditions of approval, if any, are attached. Approval of this notice does not warrar certify that the applicant holds legal or equitable title to those rights in the subject lead which would entitle the applicant to conduct operations thereon.						

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.



Drawn

2007-0924.DWG

W.O. Number: 2007-0924

Date: 9-24-2007

By:

LVA

Scale: 1" = 1000'

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

### EXHIBIT A

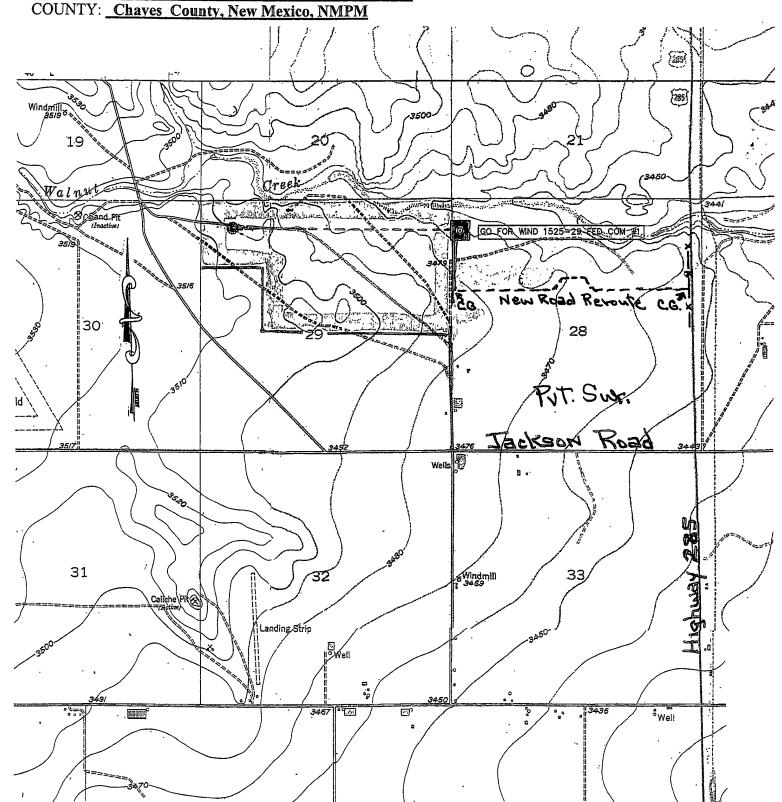
11/2/07

OPERATORS NAME: Parallel Petroleum Corporation LEASE NO.: NM-112250

WELL NAME & NO: Go For Wind 1525-29 Federal Com. #1H

1/41/4 & FOOTAGE: SL; Section 28, UL - D, NW1/4NW1/4 - 760' FNL & 150' FWL, & BHL; Section 29, UL -

D, NW¼NW¼ - 760' FNL & 660' FWL, T. 15 S., R. 25 E.



# PECOS DISTRICT - RFO CONDITIONS OF APPROVAL

11/2/07

OPERATORS NAME: Parallel Petroleum Corporation LEASE NO.: NM-112250

WELL NAME & NO: Go For Wind 1525-29 Federal Com. #1H

SURFACE LOCATION: Section 28, UL - D, NW1/4NW1/4 - 760' FNL & 150' FWL;

BOTTOM HOLE LOCATION: Section 29, UL - D, NW1/4NW1/4 - 760' FNL & 660' FWL;

T. 15 S., R. 25 E.

COUNTY: Chaves County, New Mexico, NMPM

#### **GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

#### I. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD (Filing of a Sundry Notice is required for this 60 day extension).

#### II. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

#### III. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations (access road and/or well pad). Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

#### IV. CONSTRUCTION

#### A. NOTIFICATION:

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Roswell Field Office at (505) 627-0247 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved Application for Permit to Drill and Conditions of Approval on the well site and they shall be made available upon request by the Authorized Officer.

#### B. TOPSOIL:

The operator shall stockpile the topsoil of the well pad. The topsoil to be stripped is approximately 6 inches in depth. The topsoil shall not be used to backfill the reserve pit and will be used for interim and final reclamation. The soil stockpile shall be placed in the NORTHWEST side of the well pad.

#### C. RESERVE PITS:

The reserve pit shall be constructed and closed in accordance with the NMOCD rules.

The reserve pit shall be constructed 200' X 200' on the SOUTHWEST side of the well pad.

The reserve pit shall be constructed, so that upon completion of drilling operations, the dried pit contents shall be buried a minimum depth of three feet below ground level. Should the pit content level not meet the three foot minimum depth requirement, the excess contents shall be removed until the required minimum depth of three feet below ground level has been met. The operator shall properly dispose of the excess contents at an authorized disposal site.

The reserve pit shall be constructed and maintained so that runoff water from outside the location is not allowed to enter the pit. The berms surrounding the entire perimeter of the pit shall extend a minimum of two (2) feet above ground level. At no time will standing fluids in the pit be allowed to rise above ground level.

The reserve pit shall be fenced on three (3) sides during drilling operations. The fourth side shall be fenced immediately upon rig release.

#### D. FEDERAL MINERAL MATERIALS PIT:

If the operator elects to surface the access road and/or well pad, mineral materials extracted during construction of the reserve pit may be used for surfacing the well pad and access road and other facilities on the lease.

Payment shall be made to the BLM prior to removal of any additional federal mineral materials from any site other than the reserve pit. Call the Roswell Field Office at (505) 627-0236.

#### E. WELL PAD SURFACING:

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational need.

#### F. ON LEASE ACCESS ROADS:

#### Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed thirty (30) feet.

#### Surfacing

On private estate the restoration actions for the reclamation of the access road shall be accomplished in accordance with the Private Surface Land Owner agreement.

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

#### Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

#### **Turnouts**

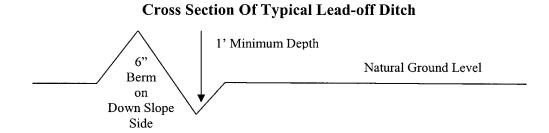
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:

# Standard Turnout – Plan View 14' ----- Centerline of Road Driving Surface 25' 10' 25'

#### Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### Formula For Spacing Interval Of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope:  $\frac{400'}{4\%}$  + 100' = 200' lead-off ditch interval

#### Cattleguards

Appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

TWO (2) CATTLEGUARDS SHALL BE INSTALLED AT THE FENCE CROSSING IN THE SW'4SW'4'4NW'4 & SE'4SE'4'4NE'4 (NEAR HIGHWAY 285) OF SECTION 28 - T. 15 S. - R. 25 E. (SEE EXHIBIT A - LOCATION MAP).

Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations.

A swinging bar gate shall be constructed on each cattleguard and fastened securely to H-braces.

#### Fence Requirement

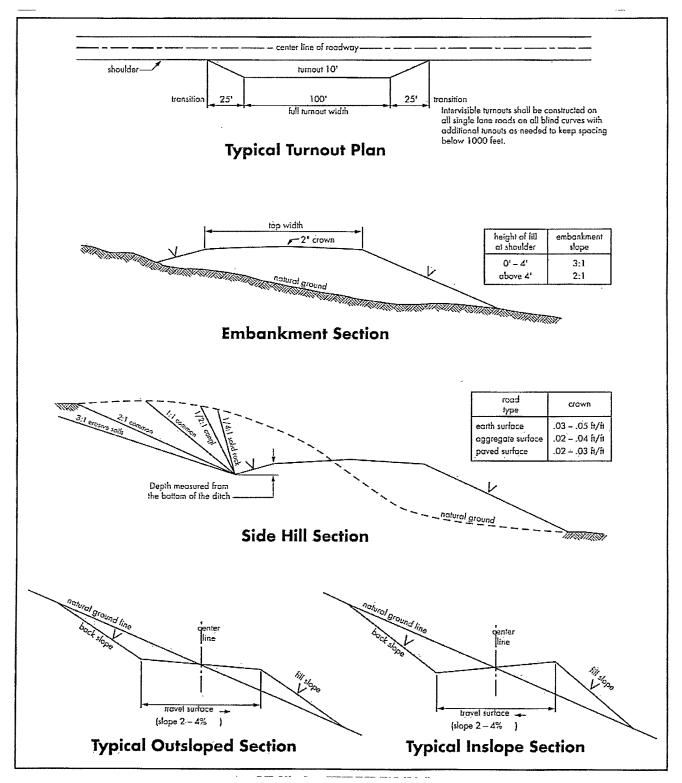
Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

#### **Public Access**

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Figure 1 – Cross Sections and Plans For Typical Road Sections



#### V. DRILLING

#### A. DRILLING OPERATIONS REQUIREMENTS

- 1. The Bureau of Land Management (BLM) is to be notified at (505) 627-0272 in sufficient time for a representative to witness: a. Spudding b. Cementing casing: 8-5/8 inch 5-1/2 inch
- 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. Include the API No. assigned to well by NMOCD on the subsequent report of setting the first casing string.
- 4. A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales.

#### B. CASING:

- 1. <u>8-5/8</u> inch surface casing should be set <u>at approximately 1400 feet</u>, below usable water and circulate cement to the surface. If cement does not circulate to the surface, the Roswell Field Office shall be notified at (505) 627-0275 and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.
- 2. Minimum required fill of cement behind the <u>5-1/2</u> inch production casing is <u>sufficient to tie back</u> 500 feet above the uppermost perforation in the pay zone.

#### C. PRESSURE CONTROL:

- 1. Before drilling below the <u>8-5/8</u> inch surface casing, the blowout preventer assembly shall consist of a minimum of One Annular Preventer or Two Ram-Type Preventers and a Kelly Cock/Stabbing Valve.
- 2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be <u>2000</u> psi.
- 3. The BOPE shall be installed before drilling below the 8-5/8 inch surface casing and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
- a. The results of the test will be reported to the BLM Roswell Field Office at 2909 West Second Street, Roswell, New Mexico 88201.
- b. Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- c. Testing must be done in a safe workman like manner. Hard line connections shall be required. Mud returns from the well.

#### VI. PRODUCTION

#### A. WELL STRUCTURES & FACILITIES

#### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

#### **Containment Structures**

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

#### **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Olive Drab, Munsell Soil Color Chart 18-0622 TPX</u>.

#### **VRM Facility Requirement**

Low-profile tanks not greater than eight-feet-high shall be used.

#### VII. INTERIM RECLAMATION & RESERVE PIT CLOSURE

#### A. INTERIM RECLAMATION

If the well is a producer, interim reclamation shall be conducted on the well site in accordance with the orders of the Authorized Officer. The operator shall submit a Sundry Notices and Reports on Wells (Notice of Intent), Form 3160-5, prior to conducting interim reclamation.

During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche may be used in road repairs, fire walls or for building other roads and locations. In addition, in order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

#### **B. RESERVE PIT CLOSURE**

At the time reserve pits are to be reclaimed, operators should work with BLM surface management specialists to devise the best strategies to reduce the size of the location. Any reductions should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

The reserve pit, when dried and closed, shall be recontoured, all trash removed, and reseeded as follows:

Alama silt loam, dry, 0-3% Slope; Hollomex loam, 1-9% slope, dry; Reeves loam, 0-2% slope, dry;

Milner loam, 0-2% slope, dry

Loamy, SD-3 Ecological Site: Loamy CP-2 & Gyp Upland CP-2

Common Name		Pounds of Pure
and Preferred Variety	Scientific Name	Live Seed Per Acre
Blue grama, var. Lovington	(Bouteloua gracilis)	4.00 lbs.
Sideoats grama,	(Bouteloua curtipendula)	1.00 lb.
var. Vaughn or El Reno		
Sand dropseed	(Sporobolus cryptandrus)	0.50 lb.
Vine mesquite	(Panicum obtusum)	1.00 lb.
Plains bristlegrass	(Setaria macrostachya)	1.00 lb.
Indian blanketflower	(Gaillardia aristata)	0.50 lb.
Desert or Scarlet	(Sphaeralcea ambigua)	1.00 lb.
Globemallow	or (S. coccinea)	
Annual sunflower	(Helianthus annuus)	<u>0.75 lb.</u>
TOTAL POUNDS PURE L	9.75 lbs.	

If one species is not available, increase ALL others proportionately. Use No Less than 4 species, including one forb! No Less than 9.75 pounds per acres shall be applied

## VIII. FINAL ABANDONMENT & REHABILITATION REQUIREMENTS

Upon abandonment of the well and/or when the access road is no longer in service the Authorized Officer shall issue instructions and/or orders for surface reclamation and restoration of all disturbed areas.

On private surface/federal mineral estate land the reclamation procedures on the road and well pad shall be accomplished in accordance with the Private Surface Land Owner agreements.