

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Parallel Petroleum Corporation 1004 N. Big Spring St., Suite 400 Midland, Texas 79701		² OGRID Number 230387
		³ API Number 30 - 015 - 22535
⁴ Property Code 36055	⁵ Property Name Gardner Draw Unit Listed as Pre-Ongard Well No. 2 on NMOCD website	⁶ Well No. 2
⁹ Proposed Pool 1 Gardner Draw Morrow		¹⁰ Proposed Pool 2 San Andres Water Well

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	19 - S	21 - E		800	N	1980	E	Eddy

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code Gas	¹² Well Type Code Water Well	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation 4405'
¹⁶ Multiple	¹⁷ Proposed Depth 1640 PBTD maximum	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater 790'		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> 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
11"	8-5/8"	24	1755	1310	Surface by 1"

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.

Re-enter this well that was P & A on 6/25/88 to convert to a water well.

1. Find and remove marker "Gardner Draw Unit, Well No. 2, Section 19, T19S, R21E, Eddy County, New Mexico"
2. Drill cement plugs from surface to 32' and 321' to 400'.
3. Clean out to top of plug at approximately 1640'.
4. Pressure test casing to 500 psi for minimum of 30 minutes.
5. Perforate 8-5/8" casing at best water zone possibility.
6. Run water well pump and put on production as water supply well.

Appropriate files submitted to Office of the State Engineer of New Mexico to obtain permit approval for water usage.



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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Deane Durham <i>Deane Durham</i>		Approved by: BRYAN G. ARRANT	
Title: Engineer		Title: DISTRICT II GEOLOGIST	
E-mail Address: ddurham@plll.com		Approval Date: SEP 29 2006 Expiration Date: SEP 29 2007	
Date: 9-14-2006	Phone: (432) 684-3727 x 3048	Conditions of Approval Attached <input type="checkbox"/>	

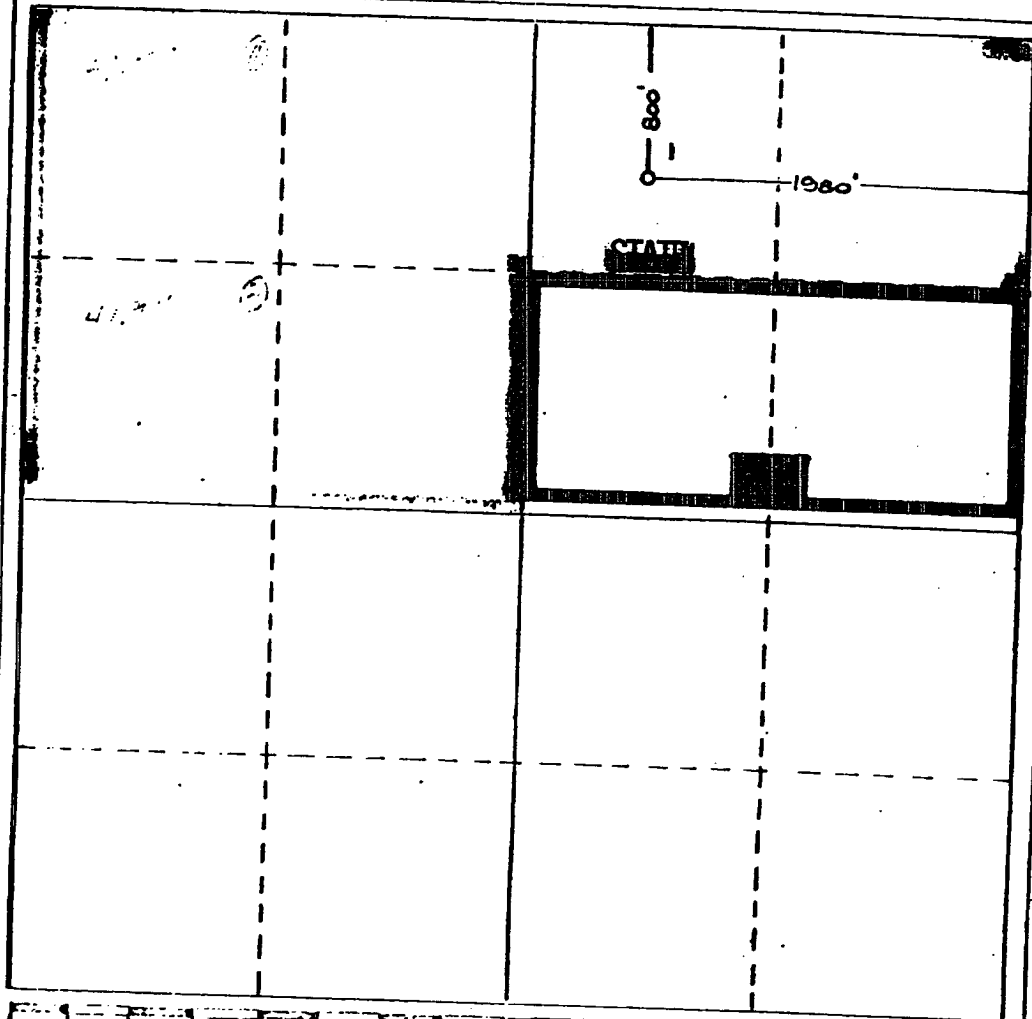
**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

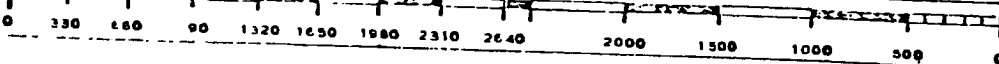
All distances must be from the outer boundaries of the Section.

Operator Phoenix Resources Company				Lease Gardner Draw Unit		Well No. 12
Unit Letter B	Section 19	Township T-19-S	Range R-21-E	County Eddy		
Actual Footage Location of Well: 800 feet from the North line and 1980 feet from the East line						
Ground Level Elev. 4405	Producing Formation Morrow		Pool Wildcat	Dedicated Acreage: 320 82 5 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
☒ Yes ☐ No If answer is "yes," type of consolidation Case No. 6129
 If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	John W. Mulloy
Position	Agent
Company	Phoenix Resources Company
Date	5-4-78
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 supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	April 30, 1978
Registered Professional Engineer and/or Land Surveyor	
Certificate No.	1635



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NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

JUN 15 1978

O. C. C.
ARTESIA, OFFICE

Form C-102
Supersedes Old
C-102 and C-103
Effective 1-1-66

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. LG 0463
7. Unit Agreement Name Gardner Draw Unit
8. Farm or Lease Line
9. Well No. 2
10. Field and Pool, or Wildcat Undesignated
12. County Eddy

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.)

OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>
Name of Operator Phoenix Resources Company		
Address of Operator P. O. Box 9698, South Denver Station, Denver, Colorado 80218		
Location of Well UNIT LETTER B 1980 FEET FROM THE East LINE AND 800 FEET FROM THE North LINE, SECTION 19 TOWNSHIP 19-S RANGE 21-E NMPM.		
15. Elevation (Show whether DF, RT, GR, etc.) 4405 GR		

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

FORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
AL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOBS <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1102.

5-14-78 Set 36' of 20" Conductor Casing with rat hole machine. Cement circulated.

5-17-78 Spud Well

5-19-78 Ran 350' of 13 3/8", 48#, K-55 Casing. Cemented with 350 sacks Class "C" with 2% CaCl₂. Cement did not circulate. Put 6.4 yards of Redi-Mix down annulus. Cement to top of casing. WOC 18 hours.

5-25-78 Ran 43 joints of 8 5/8", 24#, Casing. Set @ 1755'. Cemented with 400 sacks RFC with 1/4# celloflake, 12 1/4# gilsonite and 650 sacks lite pay #3 and 150 sacks Class "C" with 2% CaCl₂. WOC 6 hours. TOC @ 1050'

5-26-78

to Cementing with 1" tubing in 3 stages of 50 sacks each. Cemented to surface. WOC 5-29-78 approximately 24 hours. Pumped a total of 1310 sacks cement + 185 sacks of free sand

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

J. W. Mulligan

TITLE Agent

DATE 6-13-78

VED BY *Mike Williams*

TITLE OIL AND GAS INSPECTOR

DATE JUL 11 1978

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION DIVISION RECEIVED

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

AUG 12 '88

Form C-103
Revised 10-1-73

O. C. D.
ARTESIA, OFFICE

1a. Indicate Type of Lease
State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
3. State Oil & Gas Lease No.
LG0463

SUNDARY 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. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER-	7. Unit Agreement Name
2. Name of Operator	Gardner Draw Unit
3. Address of Operator	8. Farm or Lease Name
P.O. Box 4326	Gardner Draw Unit
4. Location of well	9. Well No.
UNIT LETTER <u>B</u> , 1980 FEET FROM THE <u>East</u> LINE AND <u>800</u> FEET FROM	10. Field and Pool, or similar
THE <u>North</u> LINE, SECTION <u>19</u> TOWNSHIP <u>19S</u> RANGE <u>21E</u> T19S R21E	Gardner Draw Morrow
11. Elevation (Show whether DF, RT, GR, etc.)	12. County
4405	Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐
OTHER ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐
COMMENCE DRILLING OPER. ☐
CASING TEST AND CEMENT JOB ☐
OTHER ☐
ALTERING CASING ☐
PLUG AND ABANDONMENT ☒

17. 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.

6/16/88

1. Move in and rig up. Pull tubing and run 4½ CIBP to 6900' and set.
2. Run tubing to top of 4½ CIBP at 6900' and spot 12 sks. of cement. Load hole with mud; pull tubing to 5460' and spot 25 sk. cement plug.
3. Cut 4½ casing at 4694' and lay down. Run in hole with tubing and spot 35 sk. cement plug. Pull out of hole and wait on cement.
4. Tag plug at 4620'. Pull up hole to 4160' and spot 25 sk. plug. Pull up hole to 3250' and spot 25 sk. plug. Pull up hole to 1800' and spot 35 sk. plug. Pull up hole and wait on cement.
5. Tag plug @ 1735'; spot 30 sks. of cement @ 1735' to bring cement plug up higher.
6. Pull up hole to 400' and spot 25 sk. plug. Pull out of hole @ set 10 sk. top hole plug. Install P & A marker. P & A complete 6/25/88.

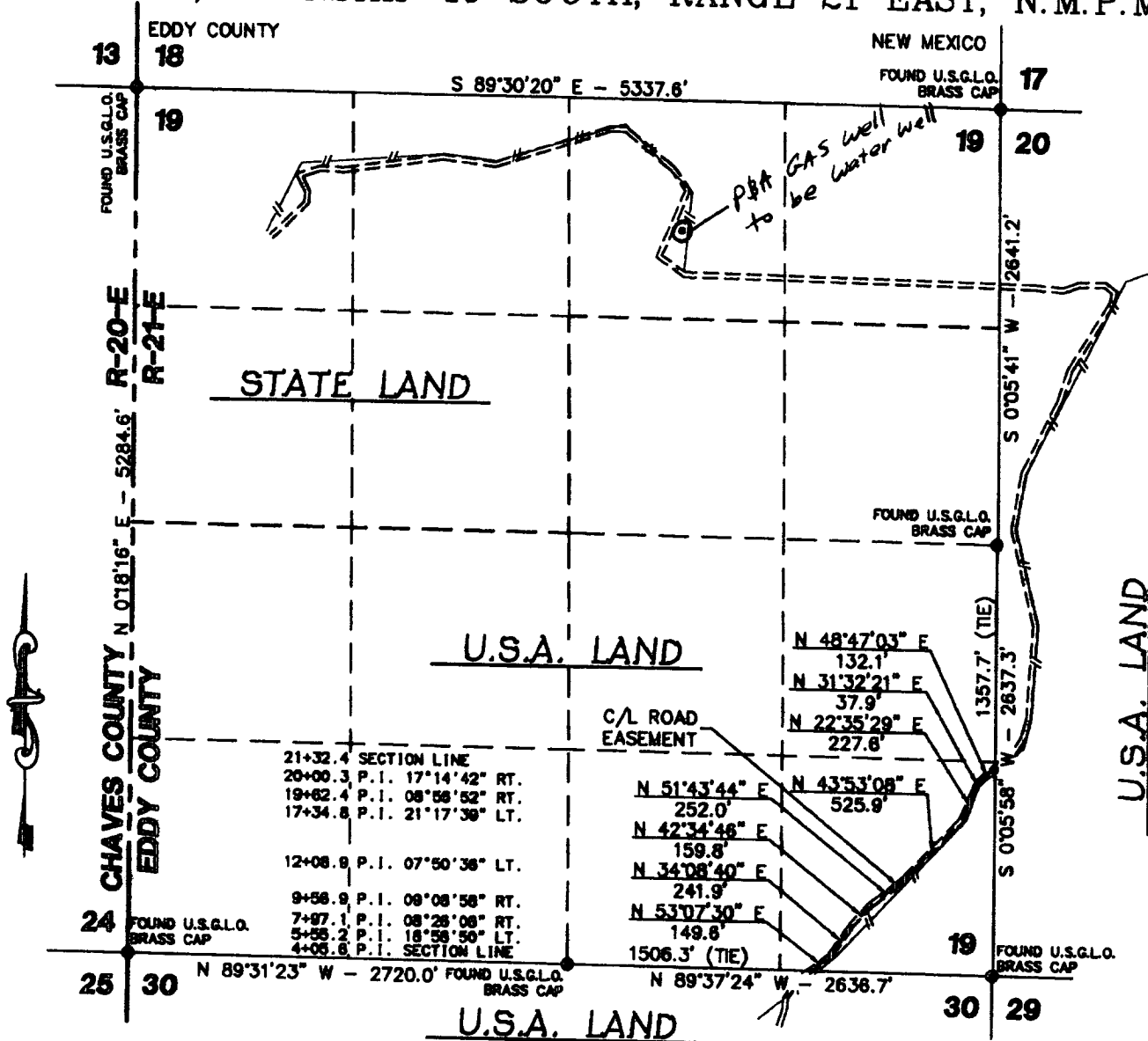
MARKER READS "GARDNER DRAW UNIT, Well No. 2, Section 19, T19S, R21E, 8-19-88, P & A
Eddy County, NEW MEXICO,

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Sharon Clements TITLE Production Eng. DATE 7/29/88
APPROVED BY James Moore TITLE Geologist DATE 3/1/89
CONDITIONS OF APPROVAL, IF ANY:

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 21 EAST, N.M.P.M.

2006-0886-B



LEGAL DESCRIPTION

A ROAD EASEMENT BEING 30 FEET WIDE, 1728.8 FEET OR 0.327 MILES IN LENGTH AND BEING 15.0 FEET RIGHT AND 15.0 FEET LEFT OF THE ABOVE PLATTED CENTERLINE.

NOTE:

- Bearings 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.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION

MACON McDONALD N.M. P.S.

WEST COMPANY
of Midland, Inc.

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

LEGEND

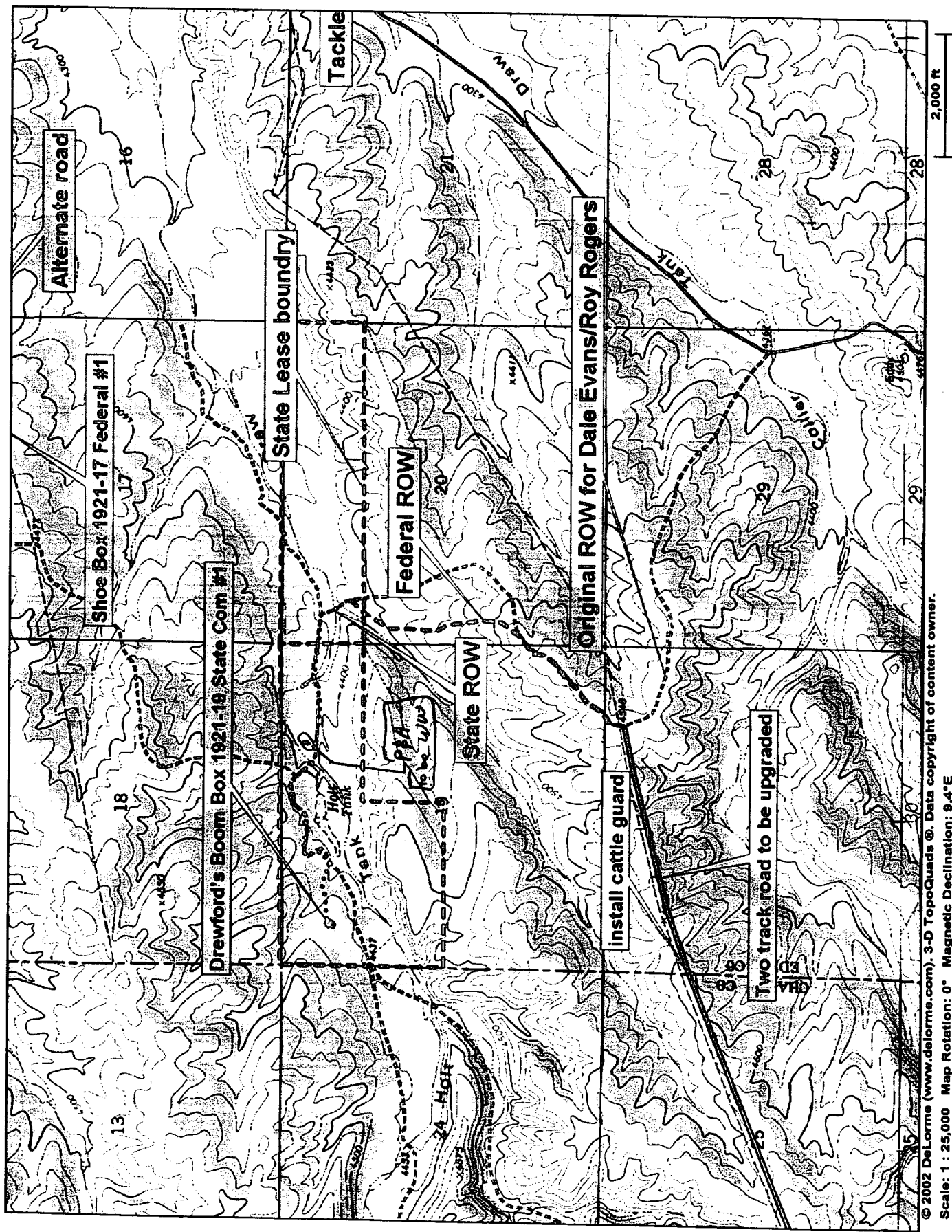
⊙ - DENOTES FOUND MONUMENT (AS DESCRIBED)



PARALLEL PETROLEUM CORPORATION

A ROAD EASEMENT CROSSING U.S.A. LAND IN
SECTION 19, TOWNSHIP 19 SOUTH, RANGE 21 EAST
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 8-23-2006	Sheet 2 of 5 Sheets
W.O. Number: 2006-0886	Drawn By: LVA
Date: 9-05-2006	2006-0886-B.DWG
Scale: 1" = 1000'	



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 Scale: 1 : 25,000 Map Rotation: 0° Magnetic Declination: 9.4°E