

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUMMARY 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.

MOBILE
23
OCCD - ARKESIA, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

PARALLEL PETROLEUM CORPORATION

3a. Address

P.O. BOX 10587, MIDLAND, TX 79702

3b. Phone No. (include area code)

432-685-6563

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

SHL 1880' FSL AND 190' FWL SEC. 16, T-15S-R25E

BHL 1851' FSL AND 776' FWL SEC. 17, T-15S-R25E

5. Lease Serial No.

NM NM 112249

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

ALL ALONG 1525-17

9. API Well No.

FED COM #1 H

30-005-63925

10. Field and Pool, or Exploratory Area

WILDCAT; WOLF CAMP GAS

11. County or Parish, State

CHAVEZ

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 RUN 5.5 CSG |
| ☐ 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 recomplete 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 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 final site is ready for final inspection.)

05/18/07 0800 HRS REACH TOTAL DEPTH @ 9205'

BHL = 1851' FSL AND 776' FWL SEC. 17, T15S, R25E, CHAVEZ COUNTY, NM

05/19/07 RUN 5.5" CSG IN 7.875" HOLE, 17# SET @ 9202', CMT W/ LEAD 700 SX HALLIBURTON INTER FILL C, 11.9 PPG, 2.45 YIELD

TAIL 450 SX PREMIUM ASC + 0.7% HALAD 344 + 0.25 D-AIR 3000 + 0.7% HR 601 + 10# SILICALITE 50/50 POZMIX, 15 PPG, 2.61 YIELD, 113 CENTRALIZERS.

TOC: @ SURFACE, CIRCULATE 183 SX TO PIT

WOC: 8 HRS, TEST CSG TO 1500 PSI FOR 30 MIN.

ATTACHMENTS:

GYRODATA GRYO SURVEY

SPERRY MWD SURVEY

NO OPEN HOLE LOGS WERE RUN

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

Name (Printed/Typed)

SHELLI FINCHER

Title

PRODUCTION TECH

Date 05/22/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, 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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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 or to any matter within its jurisdiction.

23
JUN 11 2007

A Gyrodata Directional Survey

30-005-63925

NOT DEFINITIVE
for

PARALLEL PETROLEUM

Lease: ALL ALONG 1725-17 FED COM Well: # 1, 4-1/2 DRILLPIPE
Location: JW # 4, CHAVES COUNTY, NEW MEXICO

Job Number: MD0507G_177

Run Date: 5/10/2007 1:29:56 PM

Surveyor: JAMES KING

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 33.013040 deg. N Longitude: 104.455820 deg. W

Azimuth Correction:

Gyro: 0.07000 deg East to Grid North

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Lease: ALL ALONG 1725-17 FED COM Well: # 1, 4-1/2 DRILLPIPE

Location: JW # 4, CHAVES COUNTY, NEW MEXICO

Job Number: MD0507G_177

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.0	0.00	0.00	0.0 0.0	0.00 N 0.00 E

0-3324 FT RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2 DRILLPIPE							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO JW 4 RKB (+ 13 FT)							

100.00	0.30	117.63	-0.1	0.30	100.00	0.3 117.6	0.12 S 0.23 E
200.00	0.42	122.18	-0.4	0.12	200.00	0.9 119.5	0.43 S 0.77 E
300.00	0.43	116.54	-0.8	0.04	299.99	1.6 119.4	0.80 S 1.41 E
400.00	0.43	137.32	-1.2	0.16	399.99	2.4 121.8	1.24 S 2.01 E
500.00	0.35	145.96	-1.8	0.10	499.99	3.0 126.1	1.77 S 2.43 E
600.00	0.38	187.47	-2.4	0.26	599.99	3.5 132.6	2.36 S 2.56 E
700.00	0.68	206.67	-3.2	0.35	699.98	3.9 145.1	3.22 S 2.25 E
800.00	0.93	212.37	-4.4	0.26	799.97	4.7 160.8	4.44 S 1.55 E
900.00	0.91	199.64	-5.9	0.20	899.96	5.9 171.8	5.87 S 0.85 E
1000.00	0.81	164.45	-7.3	0.53	999.95	7.3 174.0	7.30 S 0.77 E
1100.00	0.62	168.16	-8.5	0.20	1099.94	8.6 172.8	8.51 S 1.07 E
1200.00	0.43	207.43	-9.4	0.39	1199.94	9.4 173.9	9.37 S 1.01 E
1300.00	0.87	242.37	-10.1	0.58	1299.93	10.1 179.1	10.06 S 0.16 E
1400.00	1.24	219.30	-11.3	0.55	1399.92	11.3 186.1	11.25 S 1.20 W
1500.00	0.86	189.15	-12.8	0.66	1499.90	13.0 188.9	12.83 S 2.01 W
1600.00	0.81	190.89	-14.3	0.05	1599.89	14.4 189.0	14.27 S 2.26 W
1700.00	0.74	199.00	-15.6	0.13	1699.88	15.8 189.5	15.58 S 2.61 W
1800.00	0.44	207.03	-16.5	0.31	1799.87	16.8 190.3	16.54 S 2.99 W
1900.00	0.20	174.11	-17.1	0.30	1899.87	17.3 190.5	17.05 S 3.15 W
2000.00	0.26	116.65	-17.3	0.23	1999.87	17.6 189.6	17.32 S 2.93 W

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Lease: ALL ALONG 1725-17 FED COM Well: # 1, 4-1/2 DRILLPIPE

Location: JW # 4, CHAVES COUNTY, NEW MEXICO

Job Number: MD0507G_177

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
2100.00	0.73	114.51	-17.7	0.47	2099.87	17.8 186.9	17.69 S 2.15 W
2200.00	0.76	107.85	-18.1	0.09	2199.86	18.2 183.0	18.15 S 0.94 W
2300.00	0.57	61.98	-18.1	0.55	2299.85	18.1 179.6	18.12 S 0.13 E
2400.00	0.50	45.49	-17.6	0.17	2399.85	17.6 177.1	17.58 S 0.88 E
2500.00	0.26	358.51	-17.1	0.37	2499.85	17.1 176.0	17.05 S 1.18 E
2600.00	0.42	288.82	-16.7	0.41	2599.85	16.7 177.2	16.71 S 0.83 E
2700.00	0.38	267.68	-16.6	0.15	2699.84	16.6 179.5	16.60 S 0.15 E
2800.00	0.32	220.30	-16.8	0.29	2799.84	16.8 181.2	16.83 S 0.36 W
2900.00	0.06	220.45	-17.1	0.25	2899.84	17.1 181.9	17.08 S 0.57 W
3000.00	0.12	277.56	-17.1	0.10	2999.84	17.1 182.4	17.11 S 0.72 W
3100.00	0.13	190.50	-17.2	0.18	3099.84	17.2 182.8	17.21 S 0.84 W
3200.00	0.07	217.64	-17.4	0.08	3199.84	17.4 183.0	17.37 S 0.90 W
3300.00	0.30	222.20	-17.6	0.23	3299.84	17.7 183.6	17.62 S 1.12 W
3324.75	0.30	222.34	-17.7	0.00	3324.59	17.8 183.9	17.71 S 1.20 W

Final Station Closure: Distance: 17.75 ft Az: 183.89 deg.