## **PARALLEL** Petroleum Corporation

1004 North Big Spring, Suite 400 • Midland, TX 79701 • Ph: 432-684-3727 • Fax: 432-684-3905

December 14, 2006

## Sent via CMRRR# 7006 0100 0001 2440 2485

OXY USA Attn: David Evans 6 Desta Drive Midland, Texas 79705

Re: Personally 1525-33 No. 1 T-15-S, R-25-E Section 33: N/2 Chaves County, New Mexico

DIVISION CASE # 13864 EXHIBIT #-----Submitted By: Parallel Petroleum EXHIBIT #---2115107

To Whom It May Concern:

Parallel Petroleum Corporation proposes the drilling of the abovecaptioned well to horizontally test the Wolfcamp formation in the N/2 of Section 33, Township 15 South, Range 25 East, N.M.P.M. in Chaves County, New Mexico. The well will be commenced at an off lease location in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. and will be drilled to an approximate vertical depth of 4, 750'. The well will then be drilled horizontally to encounter the Wolfcamp objective at a legal location in the NW/4 NW/4 of Section 33 and to a projected orthodox terminus in the NE/4 NE/4 of Section 33.

This well will share a drilling pad with a well operated by Parallel Petroleum in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. The cost of facilities used by both wells will be allocated equally.

Based on an examination of the mineral ownership records located in Chaves County, New Mexico, it appears that your interest in the proposed well would be a .02522404226 decimal interest.

Enclosed please find an Authority for Expenditure estimating the cost of the proposed well. The total cost for the proposed well is estimated to be \$2,601,300.00. Please mark the appropriate space provided below indicating whether or not you intend to join in the drilling of the well. If you elect to join, please return a signed copy of the Authority for Expenditure. Additionally, if you elect to join, please furnish us with your well information requirements.

Yours truly, Aaron L. Myers Consulting Landman ð





## **OXY USA**

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\_\_\_\_\_ I/We elect to participate in the proposed Personally 1525-33 No. 1 well and enclose an executed Authority for Expenditure.

\_\_\_\_ I/We elect not to participate in the proposed well.

**OXY USA** 

By:\_\_\_\_\_

Name

Title:\_\_\_\_\_

Date:\_\_\_\_\_

