

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Mineral & Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-005-63786
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SEABISQUIT
8. Well Number 002
9. OGRID Number 230387
10. Pool name or Wildcat

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.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator PARALLEL PETROLEUM CORPORATION
3. Address of Operator 1004 N. BIG SPRING, SUITE 400, MIDLAND, TX 79701
4. Well Location Unit Letter P : 400 feet from the S line and 760 feet from the E line Section 33 Township 14S Range 26E NMPM CHAVES County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3451
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water
Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>
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13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SPUD: 01-14-2006

01-14-2006: RUN 13.375" CSG, 17.5" HOLE, 48#, SET @ 335'. CMT W/190 SX CL C + FLOCELE @ 14.8 PPG, 1.35 CF/SACK YIELD: TAIL W/250 SX CL C + 2% CALCIUM CHLORIDE @ 14.8 PPG, 1.35 CF/SACK YIELD, 5 CENTRALIZERS, CIRC TO SURFACE, 110 SX TO PIT.

01-17-2006: RUN 9.625", 12.25" HOLE, 36#, SET @ 1303'. CMT W/435 SC CL C; TAIL W/310 SC CL C; 5 CENTRALIZERS, CIRC TO SURFACE.

RECEIVED

FEB 16 2006

OCU-ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kaye McCormick TITLE SR PROD & REG TECHNICIAN DATE 02-15-2006

Type or print name KAYE MC CORMICK E-mail address: kmccormick@plll.com Telephone No. 432-685-6563
For State Use Only

APPROVED BY: _____ TITLE _____ DATE FEB 21 2006
Conditions of Approval (if any): Note WCC Time & casing pressure test