Submit 3 Copies To Appropriate Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM
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, Minerals and Natural Resources

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

Form C-103
May 27, 2004

WELL API NO. 30-005-63782

5. Indicate Type of Lease STATE [x] FEE [ ]

6. State Oil & Gas Lease No.

RECEIVED OCD - ARTESIA NOV 2006

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.)

7. Lease Name or Unit Agreement Name: ASSAULT

1. Type of Well: Oil Well [ ] Gas Well [x] Other

8. Well Number 1

2. Name of Operator PARALLEL PETROLEUM CORPORATION

9. OGRID Number 230387

3. Address of Operator 1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701

10. Pool name or Wildcat WILCAT, WOLFCAMP GAS 97489

4. Well Location

Unit Letter D : 400 feet from the N line and 760 feet from the 2 line

Section 27 Township 14S Range 263 NMPM NM County CHAVES

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* GR: 3424

Pit or Below-grade Tank Application [ ] or Closure [ ]

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[x]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPLETION	[ ]	CASING TEST AND CEMENT JOB	[x]		
OTHER:	[ ]			OTHER: GYRO SURVEY & MWD SURVEY & LOG ATTACHED	[x]		

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.

10-11-06: RUN 5.5 CSG, 7.875 HOLE, 17#, SET @ 9217; CMT LEAD 750 SX 50/50/10 POZ C + 0.2% FL52A + 0.2% SMS, 11.6 PPG, 2.43 YIELD. TAIL 800 SX H+6% BA10A + -.4% CD 32 + 1% ASA + 0.4% SMS + 20# CA CO, 15.6 PPG, 1.42 YIELD. 117 CENTRALIZERS. TOC: CIRCULATED 125 SX TO PIT @ SURFACE.
WOC: 11 HOURS; TEST CASING 1000 PSI FOR 30 MINUTES.

GYRODATA GYRO SURVEY & SCHLUMBERGER MWD SURVEY ATTACHED.
LOG (PLATFORM EXPRESS: THREE DETECTOR LITHO-DENSITY, COMPENSATED NEUTRON/HNGS) ATTACHED

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 TECH DATE 11-14-2006

Type or print name KAYE MC CORMICK E-mail address: kmccormick@pllll.com Telephone No. 432-685-6563

FOR RECORDS ONLY

For State Use Only

APPROVED BY _____ TITLE _____ DATE NOV 16 2006

Conditions of Approval, if any:

Intermediate Casing and Cement Report -Parallel Petroleum Corporation

S

Well Information

DATE: 11-Oct-06

Well Name Assault #1 Field Wildcat (Wolfcamp) County Chaves State NM

Hole Data

Depth	9217	Last Csg depth	1450	Open hole log temp	104
Bit size	7.875" 8.75"	Last Csg ID	8.921	Estimated BHST	104
Max. Deviation	91	Mud Type	Cut Brine Water/gel	Estimated BHCT	
Depth of Max Dev.	5510	Mud Data	9.8 33 vis	Ann vol(cu.ft.)-hole 7.875"	685
		(wt-vis-FL)		between csg	390
				8.75" hole	964
				Total	2039

Job information

Service company: BJ Services Inc. Yard: Artesia Job Cost: $35,000

Casing Reciprocated: No Casing rotated: No

Job Performance and Comments: Circulated 125 sx cement; Bumped plug 1400 psi; held 1000 psi for 30 minutes

Casing

Casing OD 5.5" Shoe Depth 9210.13 Stage Tool Depth

Casing ID 4.892" Float/LC Depth 9162.49 Depth

Casing ID Depth Top of Liner

	Length	Weight	Grade	Conn	Remarks (Mfg, Model, Type, etc.)
Shoe	1.30			8rd	Halliburton
Casing	45.46	17	P-110	8rd	ST&C
Float/Land Collar	0.88			8rd	Halliburton
Casing	9121.56	17	P-110	8rd	ST&C
Stage(DV)Tool					
Casing					
Casing					
Liner Hanger					
Drill Pipe					

Total Footage 9217.00 Distribution of excess casing: Cut 19.05'

Total Casing Feet 9214.49

Centralizer Size: 7.875 X 5.5 Number of Centralizers Used: 117

Location of Centralizers Turbolizers - (90) Float collar, every joint in lateral hole & (7) through curve section. 20 standards in vertical hole.

Intermediate Casing and Cement Report -Continued

S

Well Information:

Date: 08-Sep-06

WELL NAME: Assault #1

Cement First Stage

Spacer Description: 20 bbls fresh water — Bbls of Spacer: 35

Cap Slurry or Nitrify Mud Ahead:

Lead #1 Slurry: 750 sx 50/50/10 POZ C w/ .2%FL52A +.2% SMS

Lead #2 Slurry:

Tail Slurry: 800 sx H+ 6%BA10A+ 0.4%CD32 + 1% ASA + 0.4% SMS + 20#CACO

	Lead #1	Lead #2	Tail
Volume, sx	750		800
Percent Excess	55		55
Density, ppg	11.6		15.6
Yield, cu ft/sx	2.43		1.42
Mix wtr, gal/sx	14.31		5.97
Actual job time,hrs:min	4:30		4:50
Thickening time,hrs:min	5:00		4:10
12 hr strength, psi	70		850
24 hr strength, psi	244		1350
72 hr strength, psi	nc		nc
Fluid loss, cc/30 min	nc		nc
Free water, %			
Nitrogen rate, scf/bbl			

Plug bumped?	Yes
Floats held?	Yes
TOC plan	Surface
TOC actual	Surface
Sacks circ:	125
Est. Washout %	30%
Mix rate	
Disp rate	
Full returns	Yes
Lost returns @	N/A

Cement Second Stage:

Spacer Description: — Bbls of Spacer:

Depth of Stage(DV) tool

Lead #1 Slurry:

Lead #2 Slurry:

Tail Slurry:

	Lead #1	Lead #2	Tail
Volume, sx			
Percent Excess			
Density, ppg			
Yield, cu ft/sx			
Mix wtr, gal/sx			
Actual job time,hrs:min			
Thickening time,hrs:min			
12 hr strength, psi			
24 hr strength, psi			
72 hr strength, psi			
Fluid loss, cc/30 min			
Free water, %			
Nitrogen rate, scf/bbl			

Plug bumped?	
Floats held?	
TOC plan	
TOC actual	
Sacks circ:	
Est. Washout %	
Mix rate	
Disp rate	
Full returns	Yes
Lost returns @	