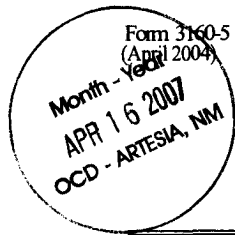


UCD-ARTESIA



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY 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.

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Parallel Petroleum Corporation**

230387

3a. Address
1004 North Big Spring, Suite 400, Midland, Texas 79701

3b. Phone No. (include area code)
432/684-3727

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

At Surface 282' FSL and 710' FEL, Sec 12, T19S, R21E
At BHL 660' FSL and 735' FEL, Sec 13, T19S, R21E

710' per D. Durham 4/12/07 CR

5. Lease Serial No.

NM NM 103570 at BHL

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Tool Box Federal #1

9. API Well No.

30-015-34983

10. Field and Pool, or Exploratory Area

Wolfcamp

11. County or Parish, State

Eddy County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **Cancel approved**

drilling permit

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 recompleat 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 recompleat 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 site is ready for final inspection.)

The subject well was approved for drilling on 6/19/06. Request this permit be cancelled. A new well in the N/2 Sec. 13, T19S, R21E has been applied for. The name of this new well is Tool Box 1921-13 Federal #1.

ACCEPTED FOR RECORD

APR 12 2007

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Deane Durham

Title **Engineer**

Signature

Deane Durham

Date

4-10-07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are 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.

Title

Date

Office

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

(Instructions on page 2)