

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007Month - Year
MAR 23 2007
OCD - ARTESIA, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to enter an abandoned well. Use Form 3160-3 (APD) for proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **Parallel Petroleum Corporation**3a. Address
1004 N. Big Spring St. Suite 400, Midland, Texas 797013b. Phone No. (include area code)
432/684-3727

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

At Surface **200' FSL and 100' FEL** At proposed prod. zone **733' FSL and 707' FEL**
At proposed BHL **752' FSL and 683' FWL** Sec. 15, T19S, R21E

5. Lease Serial No.

NM NM 103571

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Tackle Box 1921-15 Federal #1

9. API Well No.

30-015-35142

10. Field and Pool, or Exploratory Area

Wolfcamp gas

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

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|--|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 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.)

Well originally permitted for a Morrow test and a E/2 Wolfcamp horizontal alternate.

Change plans to go directly to a Wolfcamp horizontal test on the S/2 of section 15.
See attached directional plan for orthodox horizontal well path.

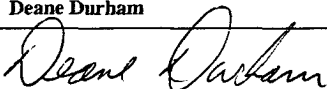
Change conductor from 20" to 16" at permitted depth of up to 120'. Change surface hole size to 11" and surface casing from 9-5/8" to 8-5/8" at permitted depth of 1500'. Change production hole from 8-3/4" to 7-7/8". Production casing of 5-1/2" 17# N-80 remains the same. See original approved permit with Wolfcamp alternate plan.

24# J-55 STC

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

Deane DurhamTitle **Engineer**

Signature



Date

3-2-07

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

Office

APPROVED

Date

MAR 20 2007**FREDERICK WRIGHT
PETROLEUM ENGINEER**

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)

PARALLEL SURVEY CALCULATION PROGRAM PETROLEUM CORPORATION

OPERATOR:	Parallel Petroleum Corporation	
WELL:	Tackle Box 1921-15 P Federal #1	
LOCATION:	S/2 Sec. 15, T19S, R21E	Eddy County, NM
API NUMBER:		
COMMENTS:		
		MAG DEC.(-/+)
		GRID CORR.(-/+)
		TOTAL CORR.(-/+) 0.0

DATE: 02/26/07 TIME: 6:01 PM TRUE TO GRID

MINIMUM CURVATURE CALCULATIONS(SPE-3362)						PROPOSED DIRECTION		270.0	TARGET TRACKING TO CENTER	
SVY NUM	MD	INC	GRID AZM	TVD	VERT SECT	N-S	E-W	DLS/ 100	ABOVE(+) BELOW(-)	RIGHT(+) LEFT(-)
TIE	0	0.0	0.0	0.0	0.0	0.0	0.0			
1	3400	0.0	0.0	3400.0	0.0	0.0	0.0	0.0	825.0	0.0
2	4300	65.0	320.0	4119.0	294.4	350.9	-294.4	7.2	106.0	350.9
3	4400	65.0	312.0	4161.3	357.3	416.0	-357.3	7.2	63.7	416.0
4	4689	90.0	280.0	4225.0	607.1	533.5	-607.1	13.8	0.0	533.5
5	4900	90.0	270.0	4225.0	817.0	551.9	-817.0	4.7	0.0	551.9
6	8580	90.0	270.0	4225.0	4497.0	551.9	-4497.0	0.0	0.0	551.9

KOP @ 3400'

BUR = 7.2 DEG per 100 ft to 4400'

Turn and Build @ 13.8 DEG per 100 ft to 4689'

End Curve @ 4689' MD, 4225' TVD

Penetration Point @ 4689', 733' FSL and 707' FEL

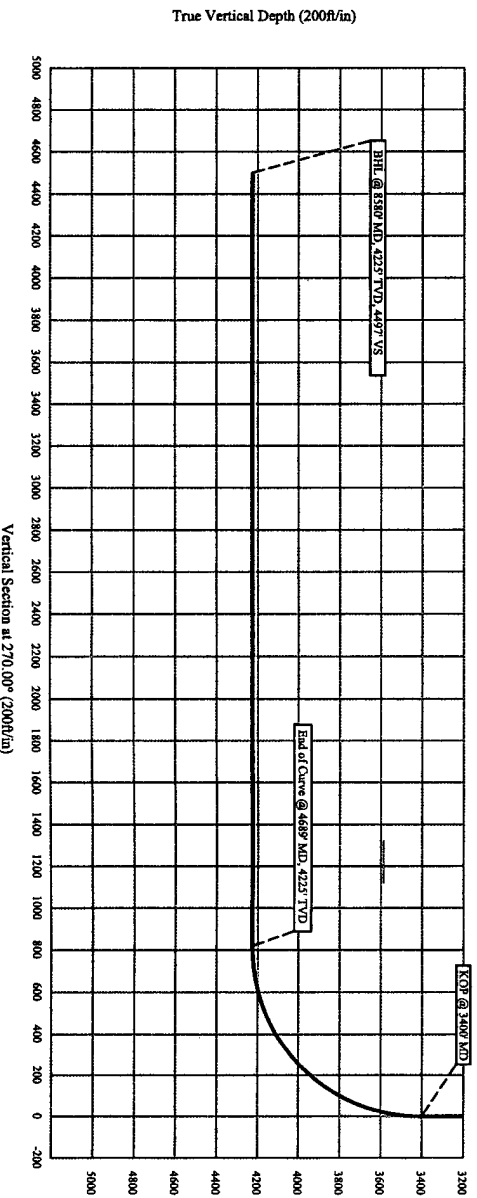
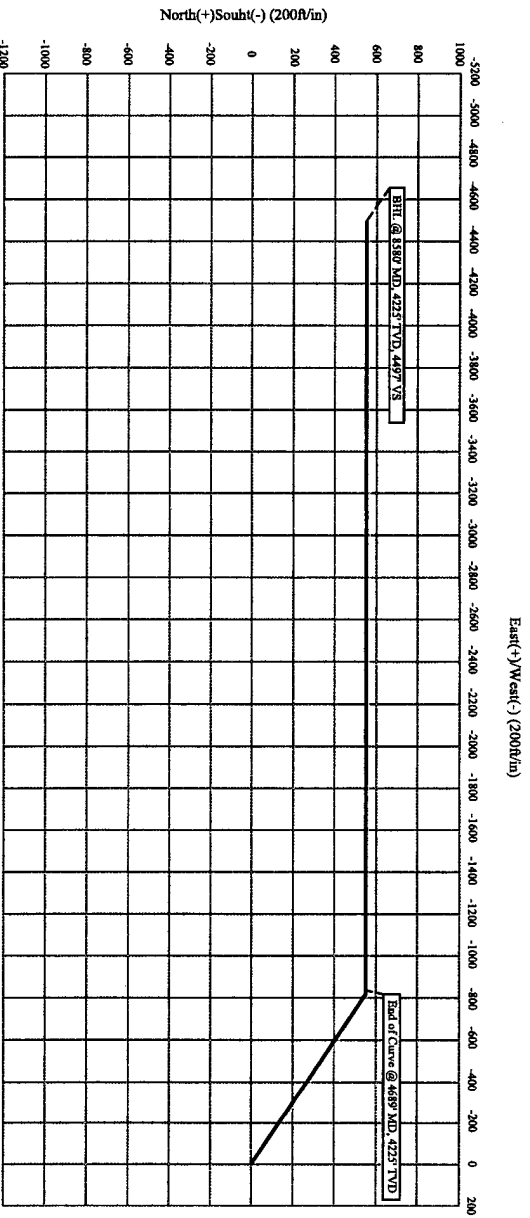
BHL @ 8580' MD, 4225' TVD, 4497' VS

Parallel Petroleum Corp.

COMPANY DETAILS

Parallel Petroleum Corp.
1004 N. Big Spring, Ste 400
Midland, Texas 79701

Tackle Box 1921-15 Federal #1
S/2 Sec. 15, T-19-S, R-21-E
Eddy County, New Mexico



DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name TACKLE BOX 1921-15 P FEDERAL	Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION	Elevation 4218'

Surface Location


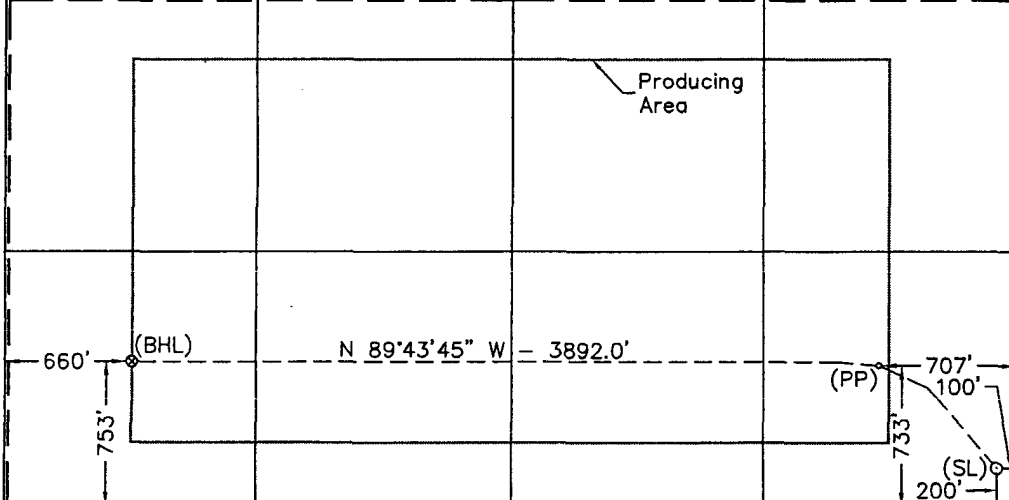
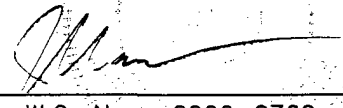
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	15	19 S	21 E		200	SOUTH	100	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	19 S	21 E		753	SOUTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<u>Bottom Hole Location</u> <u>Plane Coordinate</u> X = 360,109.0 Y = 602,340.9 <u>Geodetic Coordinate</u> Lat. 32°39'18.41" N Long. 104°47'16.30" W (NAD '27)		<u>Penetration Point</u> <u>Plane Coordinate</u> X = 363,999.9 Y = 602,322.5 <u>Geodetic Coordinate</u> Lat. 32°39'18.39" N Long. 104°46'30.79" W (NAD '27)	<u>Surface Location</u> <u>Plane Coordinate</u> X = 364,607.0 Y = 601,789.0 <u>Geodetic Coordinate</u> Lat. 32°39'13.13" N Long. 104°46'23.66" W (NAD '27)	OPERATOR CERTIFICATION <small>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</small>  Signature _____ Date 3-2-07 Deane Durham Printed Name _____
<p>Project Area</p> 				SURVEYOR CERTIFICATION <small>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</small> July 25, 2006 Date of Survey _____ LVA Signature & Seal of Professional Surveyor  W.O. Num. 2006-0760 Certificate No. MACON, McDONALD 12185