

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, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
30-015-35561

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Hope Unit 1821-16 State

8. Well Number 1 Y

9. OGRID Number 230387

10. Pool name or Wildcat
97489, Wildcat; Wolfcamp

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 ☐ Gas Well ☒ Other ☐

2. Name of Operator
Parallel Petroleum Corporation

3. Address of Operator
1004 N. Big Spring St., Suite 400, Midland, Texas 79701

4. Well Location

Unit Letter P : 760 feet from the South line and 200 feet from the East line
Section 16 Township 18S Range 21E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4223 GR

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☒
CASING/CEMENT JOB ☒

OTHER: ☐

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.

4-19-07 Set 16" conductor @ 50' with rathole unit

4-28-07 MIRU drilling rig, Spud @ 2115 HRS

5-3-07 Run 8.625" SURF CSG, 11" hole, 24# set @ 1518'. CMT W/ Lead #1 360 sx H+ 10%A10+ 10# LCM-1+ 1/4# CF+ 2% CaCl2
14.6 ppg, 1.52 yield. Lead #2 600 sx 50:50:10 C+ 5# LCM-1+ 2% CaCl2+ 1/4# CF, 12.4 ppg, 1.99 yield
Tail 200 sx C+ 2% CaCl2+ 1/4# CF, 14.8 ppg, 1.34 yield, 5 centralizers
TOC: 1300' by Temp. Surv. (attached), Top out to surface with 1"

5-6-07 Run Apollo Perforators cement bond log (attached), Insufficient CMT from 872' to 990'

5-7-07 Shoot 4 squeeze perforations @ 950'. Set squeeze packer @ 857'.

5-9-07 Pumped a total of 1096 sx H+ 1% CaCl2 and C+ 5% CaCl2 in 10 squeeze stages over 2 days waiting on CMT a minimum of 2 HRS between stages and attempting to pressure test after each squeeze stage. Last stage pressured to 2000 psi and bled to 1000 psi in 45 minutes. Unseat packer and clean hole to float collar.

5-10-07 Pumped 50 sx C neat, 14.8 ppg, 1.32 yield and held 500 psi for 1 hour. Clean well out to float collar. Attempt pressure test and BOP is leaking.

5-11-07 Retest BOP to 2000 psi. Test casing to 1000 psi for 30 minutes. No leak-off.

5-11-07 1245 HRS drill ahead in 7.875" hole from 1518'.

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 Deane Durham TITLE Engineer DATE May 17, 2007

Type or print name Deane Durham E-mail address: ddurham@plll.com Telephone No. (432) 684-3727

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE 5/21/07

Conditions of Approval (if any):