

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
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. 30-005-64025
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: GATE DANCER 1525-32
8. Well Number 2
9. OGRID Number 230389
10. Pool name or Wildcat COTTONWOOD CREEK, WOLF CAMP GAS 75250

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, SUITE 400, MIDLAND, TX 79701	4. Well Location Unit Letter <u>H</u> : <u>1880</u> feet from the <u>NORTH</u> line and <u>184</u> feet from the <u>EAST</u> line Section <u>32</u> Township <u>15S</u> Range <u>25E</u> NMPM County <u>CHAVES</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR: 3476	
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. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPLETION ☐	CASING TEST AND CEMENT JOB ☒	
OTHER: ☐		OTHER: <u>TD, PROD CSG, SURVEYS</u> ☒	

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.

09-16-2008: TD'D 9050' @ 1730 HOURS
09-17-2008: RUN 5.5" CSG, 7.875 HOLE, 17# SET @ 9038.
LEAD: 500 SX HALLIBURTON INTERFILL C + 1/8# POLY E FLAKE, 11.9 PPG, 2.47 YLD
TAIL: 500 SX ACID SOLUBLE + 10# SILICATE + 0.7% HALAD-344 + 1/4# D-AIR 3000 + 0.7% HR-601
15.02 PPG, 2.62 YLD, 115 CENTRALIZERS
TOC: CIRCULATED 121 SX TO SURFACE; WOC: 8 HR TEST CSG TO 1500 PSI, 30 MIN
ATTACHED: GYRODATA GYRO SURVEY, PATHFINDER MWD SURVEY ✓

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 MC Cormick TITLE SR PROD & REG TECHNICIAN DATE 09-25-2008
Type or print name KAYE MC CORMICK E-mail address mcormick@pl11.com Telephone No. 432-685-6563

For State Use Only

APPROVED BY _____ TITLE Gerry Guye, Deputy Field Inspector DATE _____
Conditions of Approval, if any: NMOCD-District II ARTESIA

SEP 29 2008

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

PARALLEL PETROLEUM CORPORATION

Location: PATRIOT #1, CHAVES COUNTY, NEW MEXICO

Lease: GATE DANCER 1525-32 Well: #2, 4-1/2 XH

Job Number: MD0908GW362

Run Date: 9/8/2008 9:44:42 AM

Surveyor: STEVE WINTHER

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.973861 deg. N Longitude: 104.456389 deg. W

Azimuth Correction:

Gyro: 0.07000 deg East to Grid North

Proposed Well Direction: 268.510 deg

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

PARALLEL PETROLEUM CORPORATION

Location: PATRIOT #1, CHAVES COUNTY, NEW MEXICO

Lease: GATE DANCER 1525-32 Well: #2, 4-1/2 XH

Job Number: MD0908GW362

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.0	0.00	0.00	0.0 0.0	0.00 N 0.00 E

0 to 4320 FT. RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2 XH DRILLPIPE							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO PATRIOT #1 R.K.B.							

100.00	0.08	209.86	0.0	0.08	100.00	0.1 209.9	0.06 S 0.04 W
200.00	0.59	144.61	-0.2	0.56	200.00	0.6 157.8	0.55 S 0.22 E
300.00	0.77	163.94	-0.7	0.29	299.99	1.8 156.3	1.61 S 0.71 E
400.00	1.07	173.40	-0.9	0.33	399.98	3.3 162.6	3.19 S 1.00 E
500.00	1.04	176.38	-1.0	0.06	499.96	5.2 166.9	5.03 S 1.17 E
600.00	1.23	173.11	-1.2	0.20	599.94	7.1 169.1	7.00 S 1.35 E
700.00	1.91	161.78	-1.8	0.74	699.90	9.9 168.3	9.65 S 2.00 E
800.00	3.28	170.82	-2.6	1.42	799.80	14.4 168.0	14.05 S 2.98 E
900.00	4.13	173.97	-3.3	0.88	899.59	20.8 169.4	20.45 S 3.81 E
1000.00	3.74	176.72	-3.7	0.44	999.35	27.6 170.9	27.29 S 4.38 E
1100.00	3.78	179.20	-3.7	0.17	1099.14	34.2 172.2	33.84 S 4.61 E
1200.00	3.78	182.75	-3.4	0.23	1198.92	40.7 173.7	40.44 S 4.50 E
1300.00	3.85	182.93	-2.9	0.07	1298.70	47.3 174.9	47.09 S 4.17 E
1400.00	3.67	183.37	-2.4	0.19	1398.48	53.8 175.9	53.64 S 3.81 E
1500.00	3.55	185.13	-1.8	0.16	1498.29	60.0 176.8	59.91 S 3.34 E
1600.00	3.47	182.89	-1.2	0.16	1598.10	66.1 177.5	66.01 S 2.91 E
1700.00	3.41	180.57	-0.9	0.15	1697.92	72.1 177.8	72.01 S 2.73 E
1800.00	3.15	182.60	-0.6	0.28	1797.75	77.8 178.1	77.73 S 2.58 E
1900.00	2.87	190.87	0.2	0.52	1897.62	83.0 178.6	82.93 S 1.98 E
2000.00	2.49	200.41	1.5	0.58	1997.51	87.4 179.5	87.43 S 0.75 E

A Gyrodata Directional Survey

PARALLEL PETROLEUM CORPORATION

Location: PATRIOT #1, CHAVES COUNTY, NEW MEXICO

Lease: GATE DANCER 1525-32 Well: #2, 4-1/2 XH

Job Number: MD0908GW362

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
2100.00	1.53	210.97	3.0	1.03	2097.44	90.6 180.4	90.62 S 0.70 W
2200.00	1.34	213.56	4.4	0.20	2197.41	92.8 181.3	92.74 S 2.03 W
2300.00	1.24	213.91	5.7	0.11	2297.39	94.7 182.0	94.61 S 3.28 W
2400.00	1.08	215.33	6.9	0.16	2397.37	96.4 182.6	96.27 S 4.43 W
2500.00	0.85	222.89	8.0	0.26	2497.35	97.7 183.2	97.59 S 5.48 W
2600.00	0.77	221.68	9.0	0.09	2597.34	98.8 183.7	98.63 S 6.43 W
2700.00	0.63	224.58	9.8	0.15	2697.34	99.8 184.2	99.52 S 7.26 W
2800.00	0.60	219.54	10.6	0.06	2797.33	100.6 184.5	100.31 S 7.97 W
2900.00	0.58	218.14	11.3	0.03	2897.32	101.5 184.9	101.11 S 8.62 W
3000.00	0.39	220.24	11.8	0.19	2997.32	102.2 185.1	101.77 S 9.15 W
3100.00	0.46	198.37	12.2	0.17	3097.32	102.9 185.3	102.41 S 9.50 W
3200.00	0.41	198.17	12.4	0.05	3197.32	103.6 185.4	103.13 S 9.74 W
3300.00	0.44	202.22	12.7	0.04	3297.31	104.3 185.5	103.82 S 9.99 W
3400.00	0.43	192.93	12.9	0.07	3397.31	105.0 185.6	104.54 S 10.22 W
3500.00	0.50	189.58	13.1	0.08	3497.31	105.8 185.6	105.33 S 10.38 W
3600.00	0.43	156.42	13.1	0.27	3597.30	106.6 185.5	106.11 S 10.30 W
3700.00	0.59	157.46	12.7	0.16	3697.30	107.4 185.3	106.93 S 9.95 W
3800.00	0.55	139.82	12.2	0.18	3797.29	108.2 185.0	107.77 S 9.45 W
3900.00	0.88	121.52	11.3	0.40	3897.29	108.9 184.5	108.54 S 8.49 W
4000.00	0.74	116.80	10.1	0.15	3997.28	109.5 183.8	109.23 S 7.26 W
4100.00	0.65	133.46	9.1	0.22	4097.27	110.1 183.3	109.91 S 6.27 W
4200.00	0.78	135.32	8.3	0.14	4197.26	110.9 182.8	110.78 S 5.38 W
4300.00	1.01	124.53	7.1	0.28	4297.25	111.8 182.1	111.76 S 4.18 W
4320.00	1.14	125.32	6.8	0.67	4317.25	112.0 182.0	111.98 S 3.87 W

Final Station Closure: Distance: 112.05 ft Az: 181.98 deg.



Job Number:
Company:
Lease/Well:
Location:
Rig Name:
RKB:
G.L. or M.S.L.:

State/Country:
Declination:
Grid:
File name: C:\WINSERVE\7838.SVY
Date/Time: 16-Sep-08 / 20:18
Curve Name: Gate dancer

Gate dancer

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 268.51
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
Gyro Tie-in									
4320.00	1.14	125.32	4317.25	-111.98	-3.87	6.78	112.05	181.98	.00
4340.00	1.41	130.13	4337.25	-112.25	-3.52	6.44	112.31	181.80	1.45
4372.00	.62	125.59	4369.24	-112.61	-3.08	6.00	112.65	181.57	2.48
4403.00	3.78	290.03	4400.22	-112.36	-3.90	6.82	112.42	181.99	14.13
4435.00	8.00	288.66	4432.04	-111.28	-7.00	9.90	111.50	183.60	13.19
4467.00	12.22	287.05	4463.54	-109.58	-12.35	15.20	110.27	186.43	13.22
4499.00	16.71	284.57	4494.52	-107.42	-20.05	22.83	109.28	190.57	14.16
4531.00	21.02	282.24	4524.79	-105.05	-30.11	32.84	109.28	196.00	13.67
4563.00	25.15	279.17	4554.22	-102.75	-42.44	45.10	111.17	202.44	13.44
4594.00	28.67	276.46	4581.86	-100.86	-56.34	58.94	115.53	209.19	12.02
4626.00	32.10	273.53	4609.47	-99.47	-72.46	75.02	123.06	216.07	11.67
4658.00	35.44	274.32	4636.06	-98.25	-90.20	92.72	133.38	222.55	10.53
4690.00	39.04	275.14	4661.54	-96.65	-109.50	111.97	146.05	228.57	11.36
4721.00	42.38	275.59	4685.03	-94.75	-129.62	132.04	160.56	233.83	10.82
4753.00	46.17	275.81	4707.94	-92.53	-151.85	154.20	177.82	238.64	11.85
4785.00	49.51	275.89	4729.41	-90.12	-175.44	177.73	197.23	242.81	10.44
4817.00	52.41	275.71	4749.57	-87.61	-200.17	202.38	218.50	246.36	9.07
4849.00	55.40	275.18	4768.42	-85.16	-225.90	228.04	241.42	249.35	9.44
4880.00	59.00	273.58	4785.21	-83.17	-251.88	253.96	265.26	251.73	12.40
4912.00	62.08	272.51	4800.94	-81.70	-279.70	281.73	291.39	253.72	10.06
4943.00	65.25	271.74	4814.70	-80.67	-307.46	309.45	317.87	255.30	10.47
4974.00	67.97	271.52	4827.00	-79.86	-335.90	337.86	345.26	256.63	8.80
5005.00	70.87	271.96	4837.90	-78.98	-364.90	366.83	373.35	257.79	9.45
5036.00	73.16	272.33	4847.47	-77.87	-394.37	396.26	401.98	258.83	7.47

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
5066.00	75.62	272.34	4855.54	-76.70	-423.23	425.08	430.13	259.73	8.20
5097.00	77.56	271.96	4862.73	-75.57	-453.36	455.18	459.62	260.54	6.37
5128.00	79.84	272.02	4868.80	-74.51	-483.74	485.52	489.45	261.24	7.36
5159.00	81.78	271.86	4873.75	-73.48	-514.33	516.06	519.55	261.87	6.28
5190.00	84.15	271.64	4877.55	-72.54	-545.08	546.78	549.88	262.42	7.68
5221.00	86.09	271.65	4880.19	-71.65	-575.95	577.62	580.39	262.91	6.26
5283.00	91.10	271.92	4881.71	-69.72	-637.88	639.48	641.68	263.76	8.09
5375.00	91.80	272.16	4879.38	-66.45	-729.79	731.27	732.81	264.80	.80
5468.00	92.24	273.09	4876.10	-62.19	-822.64	823.98	824.98	265.68	1.11
5560.00	90.84	271.75	4873.63	-58.31	-914.52	915.72	916.37	266.35	2.11
5653.00	92.33	272.35	4871.06	-54.98	-1007.42	1008.51	1008.92	266.88	1.73
5746.00	89.52	269.35	4869.55	-53.60	-1100.38	1101.40	1101.68	267.21	4.42
5839.00	89.52	268.86	4870.33	-55.06	-1193.36	1194.39	1194.63	267.36	.53
5934.00	91.19	269.28	4869.75	-56.60	-1288.34	1289.38	1289.59	267.48	1.81
6029.00	91.54	268.31	4867.48	-58.59	-1383.29	1384.35	1384.54	267.57	1.09
6124.00	91.98	266.91	4864.56	-62.55	-1478.16	1479.29	1479.49	267.58	1.54
6220.00	90.22	266.97	4862.72	-67.68	-1574.01	1575.23	1575.46	267.54	1.83
6315.00	91.54	268.70	4861.26	-71.27	-1668.92	1670.21	1670.44	267.55	2.29
6410.00	88.99	267.58	4860.82	-74.35	-1763.86	1765.20	1765.43	267.59	2.93
6505.00	88.29	266.93	4863.08	-78.90	-1858.72	1860.15	1860.40	267.57	1.01
6601.00	88.11	265.58	4866.09	-85.16	-1954.47	1956.02	1956.32	267.50	1.42
6696.00	88.55	266.43	4868.86	-91.78	-2049.20	2050.89	2051.25	267.44	1.01
6792.00	92.86	267.93	4867.68	-96.50	-2145.05	2146.83	2147.22	267.42	4.75
6887.00	92.07	267.37	4863.59	-100.39	-2239.88	2241.73	2242.13	267.43	1.02
6982.00	92.07	268.40	4860.16	-103.90	-2334.75	2336.66	2337.06	267.45	1.08
7078.00	90.75	269.07	4857.80	-106.02	-2430.70	2432.63	2433.01	267.50	1.54
7173.00	91.19	269.43	4856.19	-107.26	-2525.67	2527.61	2527.95	267.57	.60
7269.00	89.87	269.10	4855.30	-108.49	-2621.66	2623.60	2623.90	267.63	1.42
7364.00	90.22	270.16	4855.23	-109.10	-2716.66	2718.58	2718.85	267.70	1.18
7460.00	91.10	271.56	4854.12	-107.66	-2812.64	2814.48	2814.70	267.81	1.72
7555.00	93.12	273.66	4850.63	-103.34	-2907.46	2909.17	2909.30	267.96	3.07
7650.00	93.65	273.14	4845.02	-97.72	-3002.13	3003.66	3003.72	268.14	.78
7746.00	93.56	273.27	4838.98	-92.36	-3097.79	3099.14	3099.17	268.29	.16
7842.00	94.09	273.00	4832.58	-87.12	-3193.43	3194.62	3194.62	268.44	.62
7937.00	93.30	272.20	4826.45	-82.82	-3288.14	3289.18	3289.18	268.56	1.18
8032.00	92.15	271.94	4821.94	-79.39	-3382.96	3383.89	3383.90	268.66	1.24
8129.00	91.01	271.94	4819.26	-76.11	-3479.87	3480.67	3480.70	268.75	1.18
8224.00	89.52	271.57	4818.82	-73.20	-3574.82	3575.52	3575.57	268.83	1.62
8319.00	90.22	272.00	4819.04	-70.24	-3669.78	3670.36	3670.45	268.90	.86
8415.00	88.55	270.91	4820.07	-67.81	-3765.73	3766.22	3766.34	268.97	2.08
8510.00	87.85	270.61	4823.05	-66.55	-3860.68	3861.10	3861.25	269.01	.80
8606.00	89.43	270.04	4825.33	-66.00	-3956.65	3957.02	3957.20	269.04	1.75
8701.00	90.75	269.78	4825.18	-66.15	-4051.64	4051.99	4052.18	269.06	1.42
8797.00	91.98	270.32	4822.90	-66.07	-4147.61	4147.93	4148.14	269.09	1.40
8892.00	92.07	270.80	4819.54	-65.14	-4242.55	4242.81	4243.05	269.12	.51

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
8980.00	91.98	271.14	4816.43	-63.65	-4330.48	4330.67	4330.95	269.16	.40
TD									
9050.00	91.98	271.14	4814.01	-62.26	-4400.43	4400.56	4400.87	269.19	.00