

Kristina Martinez
(505) 988-4421
kemartinez@hollandhart.com

September 28, 2007

HAND-DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

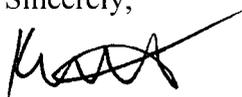
2007 OCT 2 PM 2 22
RECEIVED

Re: Application of Parallel Petroleum Corporation for Compulsory Pooling, Chaves County, Ne Mexico; Case No. 13916

Dear Mr. Fesmire:

Enclosed is the *Amended Application to Re-Open and Re-Hear Case No. 13916* of Parallel Petroleum Corporation in the above-referenced case as well as a copy of a legal advertisement. This matter was previously advertised for the October 18, 2007 Examiner Hearing docket. Parallel requests that this matter be continued and re-advertised for the November 1, 2007 Examiner Hearing docket.

Sincerely,



Kristina Martinez

Enclosures

cc: Mr. Aaron Myers

RECEIVED
STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERAL AND NATURAL RESOURCES
OIL CONSERVATION DIVISION
7097-007 2 17 2 39

**IN THE MATTER OF THE APPLICATION
OF PARALLEL PETROLEUM CORPORATION
FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO.**

CASE NO. 13916

AMENDED APPLICATION
TO RE-OPEN AND RE-HEAR CASE NO. 13916

PARALLEL PETROLEUM CORPORATION, ("Parallel") through its undersigned attorneys, applies to the New Mexico Oil Conservation Division to re-open and re-hear Oil Conservation Division Case No. 13916. In support of its application, Parallel states:

1. This case previously came on for hearing on May 10 and June 7, 2007 before Examiners David R. Catanach and David K. Brooks, respectively.
2. On July 6, 2007, the Division entered Order R-12780 pooling all uncommitted mineral interests from the surface to the base of the Wolfcamp formation underlying the S/2 of Section 28, Township 15 South, Range 25 East, N.M.P.M., Chaves County, New Mexico to form a standard 320-acre gas spacing and proration unit.
3. Order R-12780 dedicated the spacing and proration unit to Parallel's Unbridled 1525-28 Well No. 1 which is to be horizontally drilled from a surface location 1880 feet from the South line and 237 feet from the East line (Unit I) of Section 29, Township 15 South, Range 25 East, will penetrate the top of the Wolfcamp formation at a standard location 1880 from the South line and 660 feet from the West line (Unit L) of Section 28, and terminate at a standard bottomhole location 1880 feet from the South line and 660 feet from the East line (Unit I) of Section 28, both in Township 15 South, Range 25 East, N.M.P.M.
4. Parallel was designated the operator of the subject well and of the Unit.

5. After entry of Order R-12780, it came to Parallel's attention that certain interest owners in the Unit had inadvertently been omitted from its *Application for Compulsory Pooling*. To cure this defect, on September 18, 2007, Parallel submitted its *Application to Re-Open and Re-Hear Case No. 13916*, which identified those interest owners who had been omitted from the original application. That application was previously advertised for the October 18, 2007 Examiner Hearing docket.

6. It has again come to Parallel's attention that an interest owner was inadvertently omitted from both applications. Ms. Carrie Gross should have been included in Exhibit A to the application to re-open the case.

7. Ms. Gross, and those interest owners omitted from the original application, are identified in Amended Exhibit A to this Amended Application. Their whereabouts are unknown.

8. Parallel has sought and been unable to gain the voluntary participation of those interest owners.

9. Parallel requests that this matter be continued and re-advertised for the November 1, 2007 Examiner Hearing docket.

WHEREFORE, Parallel Petroleum Corporation requests that its Application for Compulsory Pooling be re-opened and re-set for hearing before an Examiner of the Oil Conservation Division on November 1, 2007 and, after notice and hearing as required by law, the Division amend Order R-12780 to include the interest owners inadvertently left out of the application and identified in Amended Exhibit A to this Amended Application.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

William F. Carr
Kristina Martinez
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

**Attorneys for Parallel
Petroleum Corporation**

AMENDED EXHIBIT A

**APPLICATION OF PARALLEL PETROLEUM CORPORATION.
FOR COMPULSORY POOLING
S/2 OF SECTION 28, TOWNSHIP 15 SOUTH, RANGE 25 EAST, N.M.P.M.
CHAVES COUNTY, NEW MEXICO.**

Allie Rugel

Pauline Sowell

Heirs/Devises C.E. Rugel

Daniel Rugel

Joe Rugel

John Rugel

Carrie Gross

CASE 13916 (Reopened and Readvertised): Application of Parallel Petroleum Corporation for Compulsory Pooling, Chaves County, New Mexico. Applicant in the above-styled cause seeks amendment to Order R-12780 pooling all mineral interests from the surface to the base of the Wolfcamp formation in the spacing and proration units located in the S/2 of Section 28, Township 15 South, Range 25 East, N.M.P.M., Chaves County, New Mexico. Said unit was dedicated to Parallel's Unbridled 1525-28 Well No. 1 to be drilled at a surface location 1880 feet from the South line and 237 feet from the East line and a bottomhole location 1880 feet from the South line and 660 feet from the East line of Section 28, Township 15 South, Range 25 East, NMPM, Chaves County, New Mexico to an approximate depth of 4750 feet to test any and all formations from the surface to the base of the Wolfcamp formation. Parallel seeks an order amending Order R-12780 to include certain interest owners inadvertently left out of the original pooling application. Said area is located 5 miles southwest of Lake Arthur, New Mexico.