



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

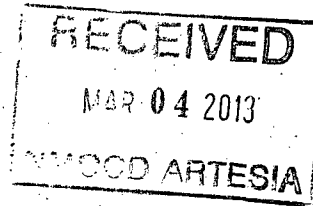
Pecos District
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-2019
www.nm.blm.gov



In Reply Refer To:
NM-112251
3160 (P0130)

Parallel Petroleum Corporation
1004 North Big Spring, Suite 400
Midland, TX 79705

Gentlemen:



30 005 67081

Your Application for Permit to Drill (APD), approved December 1, 2008, for the Alsab 1525-21 Federal Well No. 2H, located SH: 1880 feet FNL and 226 feet FWL (SW $\frac{1}{4}$ NW $\frac{1}{4}$) and BH: 1920 feet FNL and 660 feet FEL (SE $\frac{1}{4}$ NE $\frac{1}{4}$) Sec. 21, T. 15 S., R. 25 E., Chaves County, New Mexico, Federal lease NM-112251 has expired December 1, 2010 because drilling has not commenced within two years of the approval date.

If drilling operations have commenced on the referenced well, please contact David Glass, Petroleum Engineer, Lands and Minerals at (575) 627-0275 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) so we may correct our records.

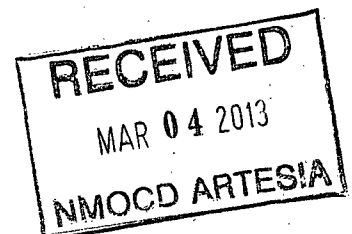
If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 5 copies). Since the original APD has expired, the resubmitted APD will be subject to all of the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will expedite the processing.

Sincerely,

/s/ Angel Mayes

Angel Mayes
Assistant Field Manager,
Lands and Minerals



cc:
NM (P0130, File Room)
NM (P0130, I & E)
~~NMOC D~~-Artesia