

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.	30-005-63851
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Gate Dancer 1525-32
8. Well Number	1 <b>35994</b>
9. OGRID Number	230387
10. Pool name or Wildcat	Wildcat

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 **230387**

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

4. Well Location  
 Unit Letter A : 760 feet from the N line and 165 feet from the E line  
 Section 32 Township 15S Range 25E NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3476' 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

SUBSEQUENT REPORT OF:  
 REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  P AND A   
 CASING/CEMENT JOB

OTHER: Plug surface hole and move rig to new hole  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.

Original surface well bore was lost due to stuck pipe and un-retrievable fish. 12.25" hole to 1052'. Bottom fish at 549'. Top fish at 275'.

Plugged hole to surface with cement and moved rig to new hole at 20' south of old hole.  
 Surface Location at 780' FNL and 165' FEL, Sec. 32, T15S, R25E.

Resume drilling of well as original permit requires.

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 NMOCDC guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Deane Durham TITLE Engineer DATE 27 NOV 2006

Type or print name BRYAN G. ARRANT District II GEOLOGIST Address: ddurham@p1ll.com Telephone No. (432) 684-3727  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE **NOV 28 2006**

Conditions of Approval (if any): \_\_\_\_\_