Submit to Expropriate District Office State Lease - 6 copies Fee Lease - 5 copies

District I

1625 N French, Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Rd , Aztec, NM 87410

State of New Mexico Energy, Minerals and Natural Resources

rorm	C-	103
Revised June	10,	2003

	WELL API NO.
INSERVATION DIVISION	30-005-63830
220 South St. Francis Dr.	5. Indicate Type Of Lease STATE FEE
Santa Fe, NM 87505	6. State Oil & Gas Lease No.

District IV 1220 S St. Francis Dr.,	Santa	Fe, NM 87505	,							"					
WELL COMPLETION OR RECOMPLETION REPORT AND LOG															
1a. Type of Well. OIL WELL GAS WELL X DRY OTHER 7. Lease Name or Unit Agreement Name FOREGO 1525-16															
b Type of Completion: NEW X WORK DEEPEN PLUG DIFF WELL OVER DEEPEN BACK OTHER									3	36410 AUG 02 2007 8 Well No. OCD-ARTESIA				7	
2. Name of Operator										8	8 Well No. OCD-ARTESIA				
PARALLEL PETROLEUM CORPORATION											1				
3. Address of Operator										9 Pool name or Wildcat					
1004 N BIG SP	RING	, SUITE 40	0, MII	DLAND, TX	79701					W	ILDCAT, V	OLFCAM	?		
4. Well Location Unit Letter_	В	300	_ Feet l	From The	NORI	H	r	ine and		1880	Feet Fro	om The _	I	EAST	_ Line
Section 16			Tow	nship 158		Range	25E	7.		NMPI	М	CHAVE	S	Cou	ınty
	11 E	Date T D. Reach		12 Date Co	mpl (Ready to				vatio		RKB, RT, GF			v Casınghea	d
09-02-2006	:	10-14-0-200)6	11-15	-2006			G	R:	3424					
15. Total Depth		16. Plug Bac			7. If Multiple Many Zone	Compl	How	18. Dr	. Inte	ervals By	Rotary Too	ols	Cable '	Tools	
MD:8235;TVD 48				:4882	· · · · · · · · · · · · · · · · · · ·			1			X lar) W D		Curroy Made	
19. Producing Interval 5240-7223 MD ;		-	- 10p, 1	sottom, Name	,						120	YES	ectional	Survey Made	,
21 Type Electric and										[:	22 Was Well				
PLATFORM EXPRE		_	TOR L	ITHO-DENS	SITY, CN/E	HNGS				ľ	NO				
23.				NG REC			l str	ings set	t in v	well)					
CASING SIZE	\perp	WEIGHT LB	/FT	DEPTI	H SET	HC)LE S	SIZE	\perp	CEM	ENTING RE	CORD		MOUNT PU	ЛLED
9.625 36 1426 12.25 750 SX (11 SX CIRC TO PIT)															
5.5		17		7310		7.87	5		1	.350 sx (2	SX(298 SX CIRC TO PIT)				
		·····							\perp						
24.				ER RECOR						25.					
SIZE	TOP		BOTT	OM SACKS CEMENT			SCF					DEPTH S		PACKE	R SET
							2-7			2-7/	·7/8 Savi@!				
26 Perfection record	Linton						127	ACID	GHO	T EDAC	TIME CE	MENT C	OPE 7	ETC	_
26 Perforation record	i (uiter	vai, size, and nui	moer)				$\frac{27}{D}$. ACID, EPTH IN	SHO TFR\	JAI.	AMOUNT	MEN I, SU	MATE	RIAL USED	
5240-5763, 0.4								240-722			30,000 GAL 15% HCL, 11,774 BBL				
5880-6363, 0.4	-										SLICK WATER, 120,000# 30/70 & 20/40				
6635-7223, 0.4	42",	36 HOLES					$oxedsymbol{oxedsymbol{oxedsymbol{oxed}}}$				BROWN SZ	ND BOTH	1, 541	TONS CO	2
28					PRODUC							T			
Date First Production 11–16–2006	·	FLOW	ING	thod (Flowing	g, gas lift, pur	mping - S	Size a	nd type pi	ump)			PROD	tus (Pro	d. or Shut-ın,	
Date of Test 11-16-2006	- 1	Iours Tested		Choke Size	Prod'n Fo Test Perio		Oil - 0	Bbl	- 1	3as - MCF 1300	Water 216	- Bbl	Gas	- Oil Ratio	
Flow Tubing	_	Casing Pressure		Calculated 24-	1 Oil - Bbl.	<u> </u>		as - MCF		Water -		Oil Grav	ıtv - AP	I -(Corr)	
Press.		C		lour Rate									,	- (0011)	
200		200	<u> </u>		<u> </u>		1	1300		216					
29 Disposition of Gas	s (Sol	d, used for fuel,	vented,	etc.)							Test Wi	tnessed By			
30 List Attachments															
31 I harabu carles	that th	ha information	shows	on both sid	as of this far	10 to	ıa cr	d comple	to to	the boot	of man long or al	adaa and	haliaf		
31. I hereby certify in Signature	M./	NCCON	Mil	Print Nam	ed ed I	m is iru KAYE M	е ип СО	a comple ORMICK	ie 10	Title	oj my knowi SR PROD	& REG I	ьенеј ЕСН І	Date 08-0	1-2007

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

South	eastern l	New Mexico	Northeas	Northeastern New Mexico					
T. Anhy		T. Canyon	T. Ojo Alamo	T. Penn. "B"					
T. Salt		T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"					
B. Salt		T. Atoka	T. Pictured Cliffs	T. Penn. "D"					
T. Yates		T. Miss	T. Cliff House	T. Leadville					
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison					
T. Oueen		T. Silurian	T. Point Lookout	T. Elbert					
T. Grayburg		T. Montoya	T. Mancos	T. McCracken					
T. San Andres		T. Simpson	T. Gallup	T. Ignacio Otzte					
T. Glorieta	2232	T. McKee	Base Greenhorn	T. Granite					
T. Paddock		T. Ellenburger	T. Dakota	T					
T. Blinebry		T. Gr. Wash	T. Morrison	T					
T. Tubb	3256	T. Delaware Sand	T. Todilto	T.					
T. Drinkard		T. Bone Springs	T. Entrada	T.					
T. Abo	3988	T.	T. Wingate	T.					
T. Wolfcamp	4866		T. Chinle	T. '					
T. Penn		T.	T. Permain	T.					
T. Cisco (Bough C)		T.	T. Penn "A"	T.					
				OIL OR GAS					

			SANDS OR ZONES		
No. 1, from	to	No. 3, from	to		
No. 2, from	to	No. 4, from	to		
	IMPOR	TANT WATER SANDS			
Include data on rate of v	vater inflow and elevation to which v	vater rose in hole.			
No. 1, from ———	to	feet			
No. 2, from	to	feet			
No. 3. from		feet			
	LITHOLOGY REC	ORD (Attach additional sheet	if necessary)		
	. " " " " " " " " " "				

ļ	From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology