

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. 30-005-63916
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: NATIVE DANCER 1525-28
8. Well Number 1
9. OGRID Number 230387
10. Pool name or Wildcat WALNUT CREEK - WOLF CAMP GAS POOL

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 D ; 760 feet from the NORTH line and 168 feet from the WEST line Section 28 Township 15S Range 25E NMPM NM County CHAVES
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR: 3469
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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: **PROD CSG/SURVEYS, MUD LOG** ☐

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.

02-03-2008: TD @ 8975

02-04-2008: RUN 5.5 CSG, 7.875 HOLE, 17# SET @ 8975.

LEAD: 630 SX HALLIBURTON INTERFILL C + SEM + 1/4#POLY-E-FLAKE, 11.9 PPG, 2.47 YLD

TAIL: 450 SX HALLIBURTON ACID SOLUBLE + 10# SILICALITE 50/50 POZ + 0.7% HR, 15.02 PPG, 2.62 YLD
116 CENTRALIZERS

TOC: CIRCULATED 100 SX TO SURFACE WOC: 8 HR TEST CSG TO 1500 PSI FOR 30 MINUTES

PATHFINDER MWD SURVEY, GYRODATA GYRO SURVEY, MUD LOG ATTACHED

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 McCormick TITLE SR PROD & REG TECH DATE 02-28-2008
E-mail address: kmccormick@plll.com
Type or print name KAYE MC CORMICK Telephone No. 432-685-6563

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

Accepted for record - NMOCD

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
NATIVE DANCER 1525-28 #1
CHAVES COUNTY, NEW MEXICO
Rig:JW #4
PathFinder Office Supervisor: FRANCISCO SINISTERRA
PathFinder Field Engineers: JAY FULTON

Page 01/03
Tie-in Date: 01/28/2008
Date Completed: 02/03/2008

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.59.29.5476 N LON:104.27.18.7920 W
Reference:NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 462628.0105 Y: 724456.9245
North Aligned To:GRID NORTH
Total Magnetic Correction: 8.51° EAST TO GRID
Vertical Section Plane: 90.04
Survey Vert. Reference: 13.00' Rotary Table To Ground
Altitude:3469.00' Ground To MSL

Survey Calculations by RX4 using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS
						Rectangular (ft)	Offsets (ft)	Dist (ft)	Dir (deg)	
TIE IN PROVIDED BY GYRODATA DIRECTIONAL SURVEY.										
4027.00	1.23	109.63	4026.69	0.00	22.33	25.48 S	22.31 E	33.87@	138.79	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
4220.00	1.14	106.40	4219.65	193.00	26.12	26.72 S	26.10 E	37.35@	135.67	0.06
4315.00	1.14	106.09	4314.63	95.00	27.94	27.25 S	27.92 E	39.01@	134.30	0.01
4347.00	2.99	91.20	4346.61	32.00	29.08	27.35 S	29.06 E	39.91@	133.27	5.97
4379.00	6.33	89.00	4378.50	32.00	31.68	27.34 S	31.66 E	41.83@	130.81	10.45
4411.00	10.02	88.65	4410.17	32.00	36.22	27.24 S	36.21 E	45.31@	126.96	11.53
4443.00	13.54	89.54	4441.49	32.00	42.76	27.15 S	42.74 E	50.63@	122.42	11.01
4475.00	17.06	89.95	4472.35	32.00	51.20	27.11 S	51.18 E	57.92@	117.91	11.01
4506.00	20.58	89.66	4501.69	31.00	61.20	27.08 S	61.18 E	66.90@	113.87	11.36
4538.00	23.74	90.80	4531.32	32.00	73.26	27.13 S	73.25 E	78.11@	110.33	9.96
4570.00	26.64	90.54	4560.27	32.00	86.88	27.29 S	86.86 E	91.05@	107.44	9.07
4602.00	29.72	91.32	4588.48	32.00	101.99	27.54 S	101.97 E	105.62@	105.11	9.69
4634.00	33.15	90.87	4615.78	32.00	118.67	27.86 S	118.65 E	121.88@	103.21	10.74
4666.00	36.40	91.30	4642.06	32.00	136.92	28.21 S	136.90 E	139.77@	101.64	10.18
4697.00	39.66	90.71	4666.47	31.00	156.01	28.54 S	155.99 E	158.58@	100.37	10.58
4729.00	42.91	90.52	4690.52	32.00	177.12	28.76 S	177.10 E	179.42@	99.22	10.16
4761.00	46.08	89.52	4713.34	32.00	199.55	28.76 S	199.53 E	201.59@	98.20	10.14
4793.00	49.42	88.85	4734.85	32.00	223.23	28.42 S	223.21 E	225.01@	97.26	10.55
4825.00	52.94	88.39	4754.91	32.00	248.15	27.82 S	248.13 E	249.68@	96.40	11.06
4855.00	56.10	87.94	4772.32	30.00	272.56	27.04 S	272.54 E	273.88@	95.67	10.60
4886.00	59.71	87.04	4788.79	31.00	298.79	25.88 S	298.77 E	299.89@	94.95	11.90
4918.00	63.05	86.62	4804.11	32.00	326.83	24.33 S	326.82 E	327.72@	94.26	10.50

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
NATIVE DANCER 1525-28 #1
CHAVES COUNTY, NEW MEXICO
RIG:JW #4

Page 02/03

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
4950.00	66.74	87.20	4817.69	32.00	355.76	22.77 S	355.75 E	356.47@	93.66	11.65
4982.00	70.17	88.61	4829.44	32.00	385.50	21.69 S	385.48 E	386.09@	93.22	11.48
5014.00	73.34	88.06	4839.46	32.00	415.87	20.80 S	415.86 E	416.38@	92.86	10.04
5046.00	76.68	89.34	4847.73	32.00	446.77	20.10 S	446.76 E	447.21@	92.58	11.13
5077.00	79.67	90.45	4854.08	31.00	477.11	20.05 S	477.10 E	477.52@	92.41	10.26
5109.00	82.75	91.72	4858.97	32.00	508.72	20.65 S	508.71 E	509.13@	92.32	10.39
5141.00	86.26	90.72	4862.04	32.00	540.56	21.33 S	540.55 E	540.97@	92.26	11.40
5173.00	89.43	92.15	4863.24	32.00	572.53	22.13 S	572.51 E	572.94@	92.21	10.87
5205.00	89.69	96.02	4863.49	32.00	604.44	24.41 S	604.42 E	604.92@	92.31	12.12
5297.00	91.01	96.59	4862.92	92.00	695.89	34.51 S	695.86 E	696.72@	92.84	1.56
5390.00	88.99	94.19	4862.92	93.00	788.47	43.24 S	788.44 E	789.63@	93.14	3.37
5483.00	89.87	93.39	4863.85	93.00	881.26	49.39 S	881.23 E	882.61@	93.21	1.28
5575.00	88.29	90.85	4865.33	92.00	973.18	52.79 S	973.15 E	974.58@	93.11	3.25
5668.00	89.34	91.93	4867.25	93.00	1066.13	55.05 S	1066.10 E	1067.52@	92.96	1.62
5760.00	89.87	92.43	4867.88	92.00	1158.07	58.55 S	1158.03 E	1159.51@	92.89	0.79
5853.00	88.11	89.85	4869.52	93.00	1251.02	60.40 S	1250.98 E	1252.44@	92.76	3.36
5946.00	87.58	89.69	4873.02	93.00	1343.96	60.03 S	1343.91 E	1345.25@	92.56	0.60
6038.00	87.76	89.42	4876.76	92.00	1435.88	59.31 S	1435.84 E	1437.06@	92.37	0.35
6132.00	89.25	90.44	4879.21	94.00	1529.84	59.20 S	1529.80 E	1530.94@	92.22	1.92
6228.00	89.16	90.30	4880.55	96.00	1625.83	59.82 S	1625.79 E	1626.89@	92.11	0.17
6323.00	89.34	90.02	4881.79	95.00	1720.82	60.08 S	1720.78 E	1721.83@	92.00	0.35
6418.00	88.46	89.56	4883.61	95.00	1815.80	59.73 S	1815.76 E	1816.74@	91.88	1.04
6514.00	89.96	89.87	4884.94	96.00	1911.79	59.26 S	1911.75 E	1912.67@	91.78	1.60
6609.00	89.87	89.82	4885.08	95.00	2006.79	59.00 S	2006.75 E	2007.61@	91.68	0.11
6705.00	90.22	89.56	4885.00	96.00	2102.79	58.48 S	2102.75 E	2103.56@	91.59	0.45
6801.00	88.02	89.09	4886.48	96.00	2198.76	57.35 S	2198.72 E	2199.47@	91.49	2.34
6896.00	87.76	88.75	4889.97	95.00	2293.68	55.56 S	2293.64 E	2294.31@	91.39	0.45

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
NATIVE DANCER 1525-28 #1
CHAVES COUNTY, NEW MEXICO
RIG:JW #4

Page 03/03

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
6992.00	89.96	89.71	4891.88	96.00	2389.64	54.27 S	2389.61 E	2390.22@	91.30	2.50
7087.00	88.64	88.58	4893.05	95.00	2484.62	52.85 S	2484.58 E	2485.15@	91.22	1.83
7183.00	86.97	87.06	4896.72	96.00	2580.47	49.21 S	2580.44 E	2580.91@	91.09	2.35
7279.00	87.41	87.00	4901.43	96.00	2676.22	44.24 S	2676.19 E	2676.56@	90.95	0.46
7375.00	88.46	88.02	4904.89	96.00	2772.06	40.07 S	2772.04 E	2772.33@	90.83	1.52
7469.00	88.99	88.66	4906.98	94.00	2866.00	37.35 S	2865.97 E	2866.22@	90.75	0.88
7564.00	90.04	89.39	4907.78	95.00	2960.98	35.73 S	2960.95 E	2961.17@	90.69	1.35
7660.00	88.37	87.75	4909.12	96.00	3056.93	33.34 S	3056.91 E	3057.09@	90.62	2.44
7755.00	88.64	86.76	4911.59	95.00	3151.79	28.79 S	3151.77 E	3151.90@	90.52	1.08
7850.00	88.37	86.55	4914.07	95.00	3246.59	23.25 S	3246.57 E	3246.66@	90.41	0.36
7945.00	89.25	87.01	4916.05	95.00	3341.41	17.91 S	3341.40 E	3341.45@	90.31	1.04
8040.00	89.34	88.58	4917.21	95.00	3436.33	14.26 S	3436.32 E	3436.35@	90.24	1.66
8136.00	89.08	88.30	4918.54	96.00	3532.28	11.64 S	3532.28 E	3532.29@	90.19	0.40
8232.00	90.40	89.96	4918.97	96.00	3628.26	10.19 S	3628.26 E	3628.27@	90.16	2.21
8327.00	90.57	91.70	4918.17	95.00	3723.25	11.56 S	3723.24 E	3723.26@	90.18	1.84
8423.00	90.57	91.84	4917.21	96.00	3819.20	14.53 S	3819.19 E	3819.22@	90.22	0.15
8518.00	90.40	91.87	4916.41	95.00	3914.15	17.60 S	3914.14 E	3914.18@	90.26	0.18
8614.00	90.57	91.26	4915.60	96.00	4010.11	20.22 S	4010.10 E	4010.15@	90.29	0.66
8710.00	88.55	90.25	4916.33	96.00	4106.09	21.49 S	4106.08 E	4106.14@	90.30	2.35
8805.00	88.37	90.31	4918.89	95.00	4201.06	21.95 S	4201.04 E	4201.10@	90.30	0.20
8899.00	88.20	89.62	4921.70	94.00	4295.02	21.90 S	4295.00 E	4295.06@	90.29	0.76
8910.00	88.29	89.55	4922.04	11.00	4306.01	21.82 S	4306.00 E	4306.05@	90.29	1.04
STRAIGHT LINE PROJECTION TO BIT @ 8975' MD.										
8975.00	88.29	89.55	4923.98	65.00	4370.98	21.31 S	4370.97 E	4371.02@	90.28	0.00

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

PARALLEL PETROLEUM

Location: J W # 4, CHAVES COUNTY, NEW MEXICO

Lease: NATIVE DANCER 1525-28 Well: # 1, 4-1/2 DRILLPIPE

Job Number: MD0108GW115

Run Date: 1/28/2008 12:00:26 PM

Surveyor: JAMES KING

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.991806 deg. N Longitude: 104.456111 deg. W

Azimuth Correction:

Gyro: 0.07000 deg East to Grid North

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

Location: J W # 4, CHAVES COUNTY, NEW MEXICO

Lease: NATIVE DANCER 1525-28 Well: # 1, 4-1/2 DRILLPIPE

Job Number: MD0108GW115

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 - 4027 FT RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2 DRILLPIPE							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO J W DRILLING RIG 4 RKB (+13)							

100.00	0.51	327.03	0.4	0.51	100.00	0.4 327.0	0.37 N 0.24 W
200.00	0.91	24.51	1.5	0.77	199.99	1.5 354.0	1.46 N 0.15 W
300.00	0.82	28.50	2.8	0.10	299.98	2.9 10.4	2.82 N 0.52 E
400.00	0.62	60.51	3.7	0.44	399.97	3.9 19.7	3.71 N 1.33 E
500.00	0.70	87.39	4.0	0.32	499.97	4.7 31.0	4.01 N 2.41 E
600.00	0.70	98.12	4.0	0.13	599.96	5.4 42.6	3.95 N 3.62 E
700.00	0.60	117.58	3.6	0.24	699.95	5.9 52.4	3.62 N 4.69 E
800.00	0.96	125.50	2.9	0.37	799.94	6.5 63.7	2.89 N 5.84 E
900.00	0.69	136.47	2.0	0.31	899.93	7.2 74.1	1.97 N 6.93 E
1000.00	0.73	144.04	1.0	0.10	999.93	7.8 82.5	1.02 N 7.72 E
1100.00	0.69	136.09	0.1	0.11	1099.92	8.5 89.5	0.08 N 8.51 E
1200.00	0.71	136.06	-0.8	0.03	1199.91	9.4 94.9	0.80 S 9.35 E
1300.00	0.71	138.85	-1.7	0.03	1299.90	10.3 99.6	1.72 S 10.19 E
1400.00	0.75	142.02	-2.7	0.06	1399.89	11.3 103.8	2.71 S 11.01 E
1500.00	1.10	134.48	-3.9	0.37	1499.88	12.7 107.9	3.90 S 12.10 E
1600.00	1.07	135.76	-5.2	0.04	1599.86	14.4 111.3	5.24 S 13.44 E
1700.00	0.95	138.08	-6.5	0.13	1699.85	16.0 114.0	6.53 S 14.64 E
1800.00	0.75	150.67	-7.7	0.27	1799.84	17.3 116.4	7.72 S 15.52 E
1900.00	0.79	160.61	-8.9	0.14	1899.83	18.4 119.1	8.94 S 16.07 E

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: J W # 4, CHAVES COUNTY, NEW MEXICO

Lease: NATIVE DANCER 1525-28 Well: # 1, 4-1/2 DRILLPIPE

Job Number: MD0108GW115

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
2000.00	0.73	171.27	-10.2	0.15	1999.82	19.3 121.9	10.22 S 16.39 E
2100.00	0.64	161.54	-11.4	0.15	2099.81	20.2 124.3	11.38 S 16.66 E
2200.00	0.78	162.96	-12.6	0.15	2199.80	21.2 126.4	12.56 S 17.04 E
2300.00	0.64	168.92	-13.8	0.16	2299.80	22.1 128.4	13.76 S 17.35 E
2400.00	0.50	185.71	-14.7	0.22	2399.79	22.8 130.2	14.73 S 17.41 E
2500.00	0.46	195.60	-15.6	0.09	2499.79	23.2 132.0	15.55 S 17.26 E
2600.00	0.51	194.60	-16.4	0.05	2599.78	23.6 133.8	16.36 S 17.04 E
2700.00	0.55	202.38	-17.2	0.08	2699.78	24.0 135.8	17.23 S 16.75 E
2800.00	0.58	203.86	-18.1	0.03	2799.78	24.4 138.0	18.14 S 16.36 E
2900.00	0.61	227.25	-19.0	0.24	2899.77	24.7 140.3	18.96 S 15.77 E
3000.00	0.44	216.18	-19.6	0.20	2999.77	24.8 142.3	19.63 S 15.15 E
3100.00	0.43	209.92	-20.3	0.05	3099.76	25.1 144.0	20.27 S 14.74 E
3200.00	0.40	194.43	-20.9	0.12	3199.76	25.4 145.4	20.93 S 14.46 E
3300.00	0.44	173.29	-21.6	0.16	3299.76	26.0 146.3	21.64 S 14.42 E
3400.00	0.33	145.34	-22.3	0.22	3399.76	26.6 146.7	22.26 S 14.63 E
3500.00	0.48	155.87	-22.9	0.17	3499.75	27.3 146.8	22.88 S 14.96 E
3600.00	0.54	121.74	-23.5	0.30	3599.75	28.2 146.5	23.51 S 15.53 E
3700.00	0.72	117.27	-24.1	0.19	3699.74	29.2 145.6	24.05 S 16.49 E
3800.00	0.97	108.08	-24.6	0.29	3799.73	30.4 144.0	24.60 S 17.86 E
3900.00	1.21	93.17	-24.9	0.37	3899.71	31.8 141.6	24.92 S 19.72 E
4000.00	1.20	107.08	-25.3	0.29	3999.69	33.4 139.3	25.29 S 21.78 E
4027.00	1.23	109.63	-25.5	0.22	4026.69	33.9 138.8	25.47 S 22.32 E

Final Station Closure: Distance: 33.87 ft Az: 138.76 deg.

DISTRICT I
1626 N. Franche Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, 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 & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Frances Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97489	Pool Name Wildcat, Wolfcamp
Property Code	Property Name NATIVE DANCER 1525-28	Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION	Elevation 3469'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	15 S	25 E		760	NORTH	168	WEST	CHAVES

Bottom Hole Location If Different From Surface

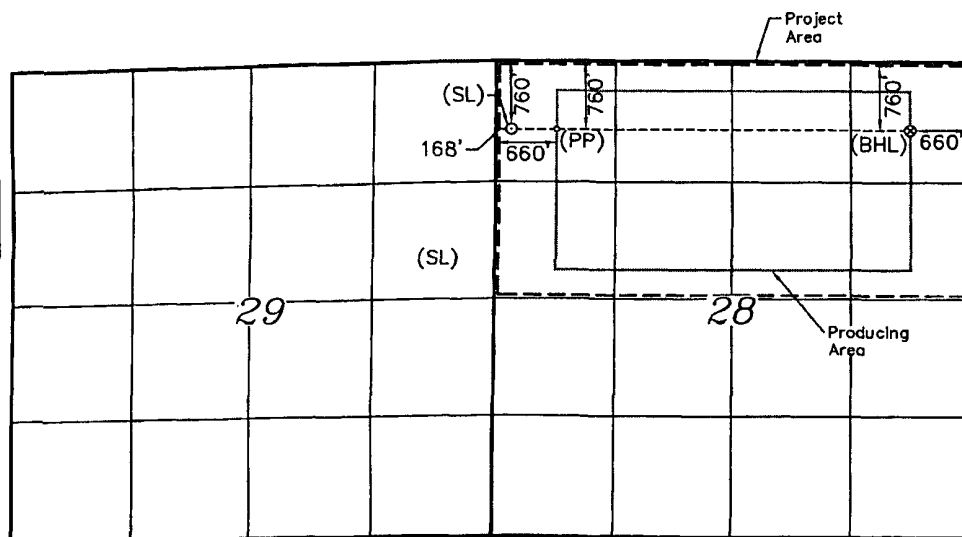
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	15 S	25 E		760	NORTH	660	EAST	CHAVES

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

NOTE:

- 1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.



OPERATOR CERTIFICATION

I hereby certify the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Date

Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

October 12, 2006

Date of Survey

KMT

Signature & Seal of Professional Surveyor

Coordinate Table	
Description	Plane Coordinate
Native Dancer 1525-28	X = 462,627.9
Surface Location	Y = 724,457.1
Native Dancer 1525-28	X = 463,119.6
Penetration Point	Y = 724,454.1
Native Dancer 1525-28	X = 467,027.5
Bottom Hole Location	Y = 724,427.7

W.O. Num. 2006-1009

Certificate No. MACON McDONALD 12185

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Month - Year
MAR 14 2007
OCD - ARTESIA, NM

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO **DRILL**, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Parallel Petroleum Corp. 1004 N. Big Spring Street, Suite 400, Midland, TX. 79701		OGBID Number 230387
Property Code 36405	Property Name Native Dancer 1525-28	API Number 30-005-63916
Proposed Pool 1 Wildcat; Wolfcamp		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	15S	25E		760'	N	168'	W	Chaves

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	15S	25E		760'	N	660'	E	Chaves

Additional Well Information

Work Type Code N	Well Type Code O & G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3469'
Multiple No	Proposed Depth 9462MD, 5250TVD	Formation Wolfcamp	Contractor NA	Spud Date NA
Depth to Groundwater 65'		Distance from nearest fresh water well 4000'		Distance from nearest surface water 700'
Pit: Liner: Synthetic ☒ 12_mils thick Clay ☐ Pit Volume: 25,000 bbls Drilling Method: Closed-Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24#	1400' C/O 50	325	Surface
7-7/8"	5-1/2"	17#	TVD 5250'	NA	Tie back
			MD 9462'		To surface
					casing

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Well to be Drilled as a Horizontal Wolfcamp test. The attached drilling plan will be utilized for this test and contains details on the cement and mud programs as well as the directional information. The following is a summary of this plan.

1. Prepare surface location. Move in and rig up drilling rig, spud well and drill and set conductor. Install and test BOP's.
2. Drill 11" surface hole to a minimum depth of 1400'. Set 8 5/8" casing and cement.
3. Drill 7 7/8" production hole 5500' TD and evaluate running mud logs as well as DLL/CNL/LDT/CAL/GR to TD.
4. Set Kickoff point at 4758' and drill and advance hole to a Wolfcamp penetration point at approximately 760' FNL and 660' FWL of the section 28 and continue drilling to BHL. (9462' MD & 5250' TVD)
5. Set 5 1/2" to TD and tie cement back to surface casing. Perforate porosity and stimulate as necessary (specific procedure to be determined).
6. Place well on test. No H2S is anticipated during the drilling of this well.
7. This well will share a drilling location and pit with the Go For Wind 1525-29 Fed Com #1

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Gary Miller, Agent for

Title: Deane Durhame, Drilling Engineer

E-mail Address: ddurham@p111.com

Date: 3-14-2007

Phone: 432-684-3727

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT

DISTRICT II GEOLOGIST

Title:

Approval Date:

MAR 19 2007

Expiration Date:

MAR 19 2008

Conditions of Approval

NOTIFY OCD OF SPUD & TIME
TO WITNESS CEMENTING OF
SURFACE CASING