

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN.M. Oil Conservation Div.-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

PARALLEL PETROLEUM CORPORATION

3a. Address

1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701

3b. Phone No. (include area code)

432-685-6563

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SL: 1880 SOUTH & 190 WEST, SEC 21, T15S, R25E

BHL: 1880 SOUTH & 660 WEST, SEC 20, T15S, R25E

MAR 24 2008

OCD-ARTESIA

5. Lease Serial No.

NM 112249

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

BUHILING OVER FEE 1H

COM 1525-20

9. API Well No.

30-005-63933

10. Field and Pool, or Exploratory Area

WALNUT CREEK - WOLF CAMP GAS
97631

11. County or Parish, State

CHAVES

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other PROD CASING

TD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

02-29-2008: SET 5.5 CSG, 7.875' HOLE, 173 @ 7653

LEAD: 525 SX INTERFILL C-SEM+1/4# POLY-E-FLAKE, 11.9 PPG, 2.47 YLD

TAIL: 350 SX HALLIBURTON ACID SOLUBLE SEM+10# SILICALITE 50/50 POZ MIX

+0.7% HALAD + 1/4# D-AIR 3000 + 0.7% HR-601, 15.02 PPG, 2.62 YLD

80 CENTRALIZERS

TOC: CIRCULATED 130 SX TO SURFACE

WOC: 8 HR, TEST CASING TO 1500 PSI FOR 30 MINUTES

PATHFINDER MWD SURVEY, GYRODATA GYRO SURVEY

TO NMOCD: OPEN-HOLE PLATFORM EXPRESS 3-DETECTOR LITHO-DENSITY/COMP NEUT/HNGS LOG

ACCEPTED FOR RECORD

MAR 18 2008

ALEXIS C. SWOBODA
PETROLEUM ENGINEER14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

KAYE MC CORMICK

Title

SR PROD & REG TECH

Date

03-12-2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Accepted for record - NMOCD



DIRECTIONAL SURVEY REPORT

PARALLEL PETROLEUM

BUBBLING OVER 1525-20 FED COM #1H

CHAVES COUNTY, NEW MEXICO

PREPARED BY: CODY MEBANE

Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
BUBBLING OVER 1525-20 FED COM #1H
CHAVES COUNTY, NEW MEXICO

Rig:JW 4

PathFinder Office Supervisor: CODY MEBANE

PathFinder Field Engineers: JAY FULTON

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.59.55.6656 N LON:104.27.18.8892 W
Reference:NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 462622.7904 Y: 727096.4106
North Aligned To:GRID NORTH
Total Magnetic Correction: 8.50° EAST TO GRID
Vertical Section Plane: 268.34
Survey Vert. Reference: 13.00' Rotary Table To Ground
Altitude:3490.00' 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 Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
TIE-IN PROVIDED BY GYRODATA DIRECTIONAL SURVEY.										
4000.00	1.09	90.02	3999.56	0.00	-13.40	36.37 S	14.46 E	39.14@	158.32	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
4021.00	0.70	263.52	4020.56	21.00	-13.47	36.38 S	14.53 E	39.18@	158.23	8.51
4053.00	4.13	271.29	4052.53	32.00	-12.13	36.38 S	13.19 E	38.70@	160.08	10.74
4085.00	7.83	272.35	4084.35	32.00	-8.80	36.27 S	9.85 E	37.58@	164.80	11.57
4116.00	11.26	276.11	4114.91	31.00	-3.69	35.86 S	4.73 E	36.17@	172.48	11.24
4148.00	13.54	275.98	4146.16	32.00	3.12	35.13 S	2.10 W	35.20@	183.42	7.13
4178.00	15.48	275.42	4175.21	30.00	10.57	34.39 S	9.58 W	35.70@	195.56	6.48
4210.00	17.24	272.85	4205.91	32.00	19.54	33.75 S	18.57 W	38.52@	208.82	5.95
4242.00	18.99	268.63	4236.32	32.00	29.47	33.64 S	28.51 W	44.09@	220.28	6.83
4274.00	21.10	267.22	4266.38	32.00	40.44	34.04 S	39.47 W	52.12@	229.22	6.76
4305.00	22.51	267.20	4295.16	31.00	51.95	34.60 S	50.97 W	61.61@	235.83	4.55
4337.00	24.18	268.16	4324.54	32.00	64.63	35.11 S	63.64 W	72.68@	241.11	5.35
4369.00	26.03	267.52	4353.52	32.00	78.20	35.63 S	77.21 W	85.03@	245.23	5.84
4401.00	28.14	267.04	4382.01	32.00	92.77	36.32 S	91.76 W	98.68@	248.40	6.63
4433.00	29.99	266.43	4409.98	32.00	108.31	37.21 S	107.28 W	113.55@	250.87	5.86
4465.00	31.66	266.79	4437.46	32.00	124.70	38.18 S	123.65 W	129.40@	252.84	5.25
4497.00	33.68	266.98	4464.39	32.00	141.97	39.11 S	140.89 W	146.22@	254.48	6.32
4528.00	35.88	267.82	4489.85	31.00	159.65	39.91 S	158.56 W	163.50@	255.87	7.26
4560.00	37.81	269.12	4515.46	32.00	178.83	40.42 S	177.74 W	182.27@	257.19	6.51
4592.00	40.01	270.11	4540.36	32.00	198.93	40.55 S	197.83 W	201.95@	258.42	7.14
4624.00	41.86	269.89	4564.53	32.00	219.88	40.55 S	218.80 W	222.53@	259.50	5.80
4656.00	43.70	269.40	4588.02	32.00	241.61	40.69 S	240.53 W	243.95@	260.40	5.84

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
BUBBLING OVER 1525-20 FED COM #1H
CHAVES COUNTY, NEW MEXICO
RIG:JW 4

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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)
4687.00	45.64	269.05	4610.06	31.00	263.40	40.98 S	262.32 W	265.50@	261.12	6.31
4719.00	47.75	269.33	4632.01	32.00	286.68	41.31 S	285.61 W	288.58@	261.77	6.62
4750.00	49.86	269.25	4652.43	31.00	310.00	41.60 S	308.93 W	311.72@	262.33	6.81
4781.00	51.53	268.79	4672.06	31.00	333.99	42.01 S	332.91 W	335.55@	262.81	5.51
4811.00	53.11	268.43	4690.40	30.00	357.73	42.59 S	356.65 W	359.18@	263.19	5.35
4842.00	54.69	268.06	4708.67	31.00	382.78	43.36 S	381.68 W	384.14@	263.52	5.19
4873.00	56.45	268.04	4726.19	31.00	408.35	44.23 S	407.24 W	409.63@	263.80	5.68
4904.00	58.12	268.42	4742.95	31.00	434.43	45.03 S	433.30 W	435.64@	264.07	5.49
4935.00	59.88	268.52	4758.91	31.00	461.00	45.74 S	459.87 W	462.14@	264.32	5.68
4966.00	61.73	269.06	4774.03	31.00	488.06	46.31 S	486.92 W	489.12@	264.57	6.16
4997.00	63.40	269.11	4788.31	31.00	515.57	46.75 S	514.43 W	516.55@	264.81	5.39
5028.00	65.16	269.16	4801.77	31.00	543.49	47.17 S	542.35 W	544.40@	265.03	5.68
5058.00	67.09	269.37	4813.91	30.00	570.92	47.52 S	569.78 W	571.76@	265.23	6.47
5089.00	68.85	269.37	4825.54	31.00	599.65	47.84 S	598.52 W	600.43@	265.43	5.68
5120.00	71.05	269.48	4836.16	31.00	628.77	48.13 S	627.63 W	629.48@	265.61	7.10
5151.00	72.81	268.86	4845.78	31.00	658.23	48.56 S	657.10 W	658.89@	265.77	5.99
5182.00	74.74	268.55	4854.44	31.00	688.00	49.23 S	686.86 W	688.62@	265.90	6.30
5213.00	76.41	267.61	4862.16	31.00	718.02	50.24 S	716.86 W	718.62@	265.99	6.14
5244.00	78.44	267.18	4868.91	31.00	748.27	51.62 S	747.09 W	748.87@	266.05	6.69
5275.00	80.28	266.39	4874.64	31.00	778.72	53.33 S	777.50 W	779.33@	266.08	6.44
5306.00	82.57	266.21	4879.26	31.00	809.35	55.30 S	808.09 W	809.98@	266.08	7.41
5337.00	84.42	266.48	4882.77	31.00	840.13	57.27 S	838.83 W	840.78@	266.09	6.03
5368.00	86.44	266.30	4885.24	31.00	871.02	59.21 S	869.67 W	871.68@	266.10	6.54
5461.00	94.35	267.84	4884.60	93.00	963.91	63.96 S	962.47 W	964.59@	266.20	8.67
5553.00	91.45	267.10	4879.94	92.00	1055.78	68.02 S	1054.25 W	1056.44@	266.31	3.25
5646.00	88.99	265.61	4879.59	93.00	1148.71	73.93 S	1147.05 W	1149.43@	266.31	3.09
5741.00	89.52	265.68	4880.82	95.00	1243.60	81.14 S	1241.77 W	1244.41@	266.26	0.56

PathFinder Energy Services, Inc.

Survey Report

PARALLEL PETROLEUM
BUBBLING OVER 1525-20 FED COM #1H
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)
5836.00	91.71	267.23	4879.80	95.00	1338.53	87.02 S	1336.57 W	1339.40@	266.28	2.82
5932.00	90.48	265.75	4877.97	96.00	1434.46	92.89 S	1432.37 W	1435.38@	266.29	2.00
6027.00	92.77	267.39	4875.27	95.00	1529.36	98.58 S	1527.15 W	1530.33@	266.31	2.97
6123.00	92.77	267.62	4870.63	96.00	1625.24	102.75 S	1622.95 W	1626.20@	266.38	0.24
6219.00	91.28	268.36	4867.24	96.00	1721.18	106.11 S	1718.82 W	1722.10@	266.47	1.73
6314.00	90.66	267.80	4865.63	95.00	1816.16	109.30 S	1813.76 W	1817.05@	266.55	0.88
6410.00	91.54	268.16	4863.79	96.00	1912.14	112.68 S	1909.68 W	1913.00@	266.62	0.99
6506.00	91.10	267.43	4861.58	96.00	2008.11	116.37 S	2005.58 W	2008.95@	266.68	0.89
6601.00	90.66	267.47	4860.12	95.00	2103.09	120.60 S	2100.48 W	2103.93@	266.71	0.46
6697.00	91.10	267.85	4858.65	96.00	2199.07	124.52 S	2196.38 W	2199.91@	266.76	0.61
6792.00	89.78	267.59	4857.92	95.00	2294.06	128.30 S	2291.30 W	2294.89@	266.80	1.42
6887.00	91.10	268.06	4857.19	95.00	2389.05	131.90 S	2386.23 W	2389.87@	266.84	1.48
6982.00	91.19	267.56	4855.29	95.00	2484.03	135.53 S	2481.14 W	2484.84@	266.87	0.53
7076.00	91.01	267.11	4853.48	94.00	2577.99	139.90 S	2575.02 W	2578.82@	266.89	0.52
7171.00	92.51	267.74	4850.57	95.00	2672.93	144.17 S	2669.88 W	2673.77@	266.91	1.71
7266.00	91.19	266.67	4847.50	95.00	2767.86	148.80 S	2764.71 W	2768.71@	266.92	1.79
7361.00	89.52	266.40	4846.91	95.00	2862.81	154.54 S	2859.53 W	2863.71@	266.91	1.78
7456.00	92.59	267.36	4845.16	95.00	2957.75	159.71 S	2954.36 W	2958.68@	266.91	3.39
7551.00	91.80	268.40	4841.52	95.00	3052.68	163.22 S	3049.23 W	3053.59@	266.94	1.37
STRAIGHT LINE PROJECTION TO BIT @ 7653' MD.										
7653.00	91.80	268.40	4838.32	102.00	3154.63	166.07 S	3151.14 W	3155.51@	266.98	0.00

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

PARALLEL PETROLEUM
BUBBLING OVER 1525-20 FED COM #1H
CHAVES COUNTY, NEW MEXICO
Rig: JW 4

Fri Feb 08 14:04:35 2008

Coordinates

Latitude: 32.998796 N (32 deg. 59 min. 55.6655 sec.)
Longitude: 104.455247 W (-104 deg. 27 min. 18.8903 sec.)
Elevation: 3490.00 feet.
Calculation Date: Feb/08/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.8397 degrees
Total Magnetic Field: 0.49339 gauss
Magnetic Declination: 8.438108 degrees
Horizontal Intensity: 0.240408 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.438108 Degr.

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 462622.7000 feet
Y: 727096.4000 feet
True to Grid: (convergence) 0.066397 degrees
Magnetic to Grid: 8.504505 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 8.504505 Degr.

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

PARALLEL

Location: JW 4, CHAVES COUNTY, NEW MEXICO,

Lease: BUBBLING OVER 1525-20 FED COMM Well: #1 H, 4-1/2 DRILLPIPE

Job Number: MD0208GW124

Run Date: 2/12/2008 10:00:25 PM

Surveyor: JAMES KING

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.998980 deg. N Longitude: 104.456150 deg. E

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

Location: JW 4, CHAVES COUNTY, NEW MEXICO

Lease: BUBBLING OVER 1525-20 FED COMM

Well: #1 H, 4-1/2 DRILLPIPE

Job Number: MD0208GW124

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
3500.00	0.86	182.09	-34.0	0.26	3499.63	34.8 167.6	33.95 S 7.44 E
3550.00	0.84	168.63	-34.7	0.40	3549.62	35.5 167.8	34.69 S 7.50 E
3600.00	0.92	146.63	-35.4	0.69	3599.62	36.2 167.6	35.38 S 7.79 E
3650.00	0.94	120.49	-35.9	0.84	3649.61	36.9 166.9	35.92 S 8.36 E
3700.00	0.94	103.28	-36.2	0.56	3699.61	37.4 165.9	36.23 S 9.11 E
3750.00	1.01	99.79	-36.4	0.20	3749.60	37.7 164.7	36.39 S 9.94 E
3800.00	0.98	93.62	-36.5	0.22	3799.59	38.1 163.5	36.50 S 10.81 E
3850.00	1.06	87.72	-36.5	0.27	3849.58	38.3 162.2	36.51 S 11.70 E
3900.00	1.10	86.92	-36.5	0.08	3899.57	38.6 160.9	36.46 S 12.64 E
3950.00	0.99	85.55	-36.4	0.24	3949.57	38.8 159.6	36.40 S 13.55 E
4000.00	1.09	90.02	-36.4	0.27	3999.56	39.1 158.3	36.37 S 14.46 E
4050.00	1.05	113.11	-36.5	0.86	4049.55	39.6 157.2	36.55 S 15.36 E
4100.00	1.28	109.01	-36.9	0.50	4099.54	40.4 156.2	36.91 S 16.31 E
4150.00	1.57	102.00	-37.2	0.67	4149.52	41.1 154.8	37.24 S 17.51 E
4200.00	1.58	104.82	-37.5	0.16	4199.50	42.0 153.4	37.55 S 18.84 E
4250.00	1.64	101.77	-37.9	0.21	4249.48	42.9 151.9	37.88 S 20.21 E
4300.00	1.68	101.13	-38.2	0.09	4299.46	43.9 150.5	38.16 S 21.63 E
4350.00	1.77	94.70	-38.4	0.42	4349.44	44.8 148.9	38.37 S 23.12 E
4400.00	1.63	87.69	-38.4	0.50	4399.42	45.6 147.4	38.40 S 24.60 E
4450.00	1.42	91.51	-38.4	0.47	4449.40	46.3 146.0	38.39 S 25.93 E
4500.00	1.56	113.68	-38.7	1.18	4499.38	47.3 144.9	38.68 S 27.18 E
4550.00	1.94	94.17	-39.0	1.40	4549.36	48.4 143.7	39.02 S 28.64 E
4600.00	1.54	96.77	-39.2	0.80	4599.34	49.4 142.4	39.16 S 30.15 E
4650.00	1.95	113.00	-39.6	1.28	4649.32	50.6 141.4	39.57 S 31.61 E

A Gyrodata Directional Survey

PARALLEL

Location: JW 4, CHAVES COUNTY, NEW MEXICO

Lease: BUBBLING OVER 1525-20 FED COMM Well: #1 H, 4-1/2 DRILLPIPE

Job Number: MD0208GW124

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
4700.00	1.97	95.18	-40.0	1.22	4699.29	52.0 140.3	39.98 S 33.25 E
4750.00	1.50	91.83	-40.1	0.98	4749.26	53.1 139.1	40.08 S 34.76 E
4800.00	1.62	114.42	-40.4	1.24	4799.25	54.1 138.2	40.39 S 36.06 E
4850.00	1.84	98.31	-40.8	1.06	4849.22	55.4 137.4	40.80 S 37.49 E
4900.00	1.20	98.46	-41.0	1.28	4899.21	56.4 136.6	40.99 S 38.80 E
4950.00	1.35	107.02	-41.2	0.48	4949.19	57.4 136.0	41.24 S 39.88 E
5000.00	1.50	115.56	-41.7	0.52	4999.18	58.5 135.5	41.69 S 41.03 E
5004.39	1.50	115.68	-41.7	0.07	5003.57	58.6 135.4	41.74 S 41.13 E

Final Station Closure: Distance: 58.60 ft Az: 135.42 deg.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007



1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM NM 112249	
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Parallel Petroleum Corporation		7. If Unit or CA Agreement, Name and No.	
3a. Address 1004 North Big Spring, Suite 400 Midland, Texas		8. Lease Name and Well No. 36502 Bubbling Over 1525-20 Fed Com #14	
3b. Phone No. (include area code) 432/684-3727 Wildcat		9. API Well No. 30-005-63933	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SHL 1880' FSL AND 190' FWL Sec 21, T-15S-R25E At proposed prod. zone BHL 1880' FSL AND 660' FWL Sec 20, T-15-S-R25E		10. Field and Pool, or Exploratory Wolfcamp	
14. Distance in miles and direction from nearest town or post office* 5 miles North of Artesia, New Mexico		11. Sec., T. R. M. or Blk. and Survey or Area 20, T15S, R25E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of acres in lease 2435.41	17. Spacing Unit dedicated to this well 320 total, 160 acres federal from this lease	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2500'	19. Proposed Depth 5500'	20. BLM/BIA Bond No. on file NMB000265	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) GL 3490'	22. Approximate date work will start* 05/15/2007	23. Estimated duration 30 days	

24. Attachments

ROSWELL CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Deane Durham</i>	Name (Printed/Typed) Deane Durham	Date 3-19-07
Title Engineer, Parallel Petroleum Corporation		

Approved by (Signature) <i>David R. Glass</i>	Name (Printed/Typed) DAVID R. GLASS	Date MAY 08 2007
Title <i>Asst</i> Assistant Field Manager, Lands And Minerals	Office ROSWELL FIELD OFFICE	APPROVED FOR 1 YEARS

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

DECLARED WATER BASIN

CEMENT BEHIND THE 95"
CASING MUST BE CIRCULATED

WITNESS

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

If earthen pits are used in
association with the drilling of this
well, an OCD pit permit must be
obtained prior to pit construction.

DISTRICT I
1625 N. French 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 BUBBLING OVER 1525-20 FED COM	Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION	Elevation 3490'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	21	15 S	25 E		1880	SOUTH	190	WEST	CHAVES

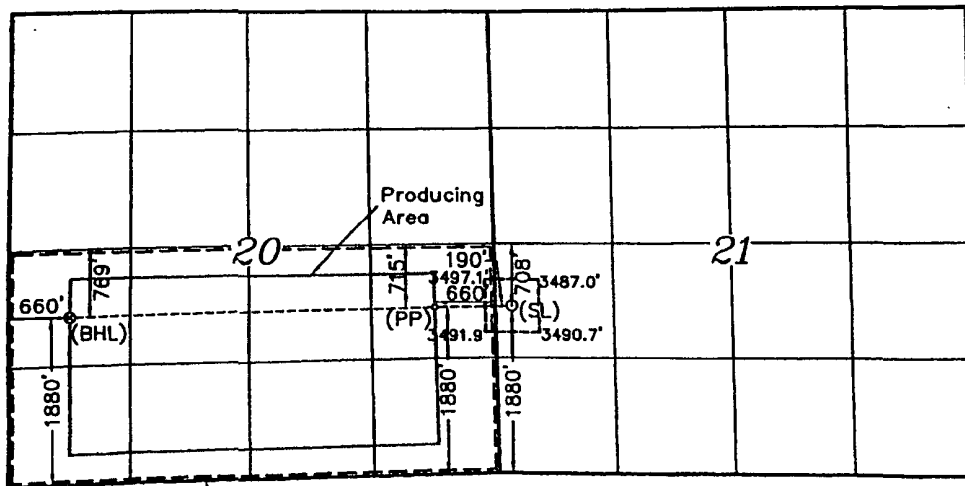
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	15 S	25 E		1880	SOUTH	660	WEST	CHAVES
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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.



Project Area

Coordinate Table	
Description	Plane Coordinate
Bubbling Over 1525-20 Fed Com #1	X = 462,622.7
Surface Location	Y = 727,096.4
Bubbling Over 1525-20 Fed Com #1	X = 461,773.0
Penetration Point	Y = 727,077.5
Bubbling Over 1525-20 Fed Com #1	X = 457,800.4
Bottom Hole Location	Y = 726,956.9

OPERATOR CERTIFICATION

I hereby certify the 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 is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Deane Durham 3-19-07
Signature Date
Deane Durham
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

W.O. Num. 2006-1006

Certificate No. MACON McDONALD 12185