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April 10, 2007

**HAND DELIVERED**

Mr. Mark E. Fesmire, Director  
Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

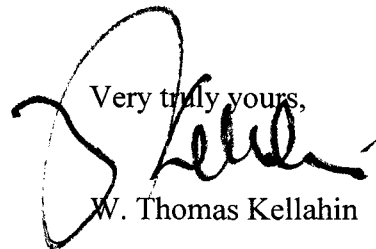
Re: Motion to Reopen and Amend  
NMOCD Case 13864  
Application of Parallel Petroleum Corporation  
For Compulsory Pooling, Chaves County, New Mexico

Dear Mr. Fesmire:

On behalf of Parallel Petroleum Corporation, find enclosed our Motion to Reopen and Amend the referenced competing compulsory pooling case that was originally heard by Examiner Catanach on February 15, 2007. The objective is to move the surface location for this horizontal wellbore and amend the drilling program and AFE.

Enclosed is our proposed advertisement to place this case on the May 10, 2007 docket.

Very truly yours,



W. Thomas Kellahin

cc: Parallel Petroleum Corporation  
Attn: Mr. Mike Gray  
James Bruce, Esq. Attorney for Spiral, Inc.

2007 APR 8 PM 4 12

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION  
OF PARALLEL PETROLEUM CORPORATION  
FOR COMPULSORY POOLING  
CHAVES COUNTY, NEW MEXICO.**

**CASE NO. 13864**

**MOTION TO REOPEN AND AMEND**

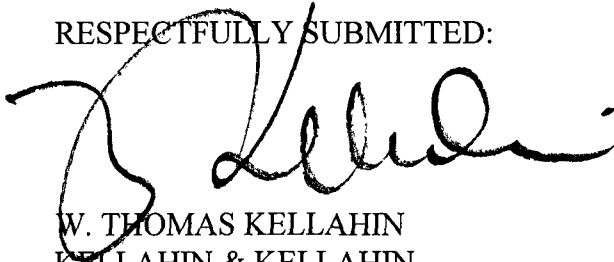
Parallel Petroleum Corporation ("Parallel") by its attorneys, Kellahin & Kellahin, moves the New Mexico Oil Conservation Division ("Division") to reopen Case 13864 to allow it to change the proposed surface location for this horizontal wellbore and to amend its drilling program and estimated well costs ("AFE") and in support states:

1. On February 15, 2007, the Division heard Parallel's application for a compulsory pooling order to pool the N/2 of Section 33, T15S, R25E, Chaves County, New Mexico for the drilling of its Personally 1525-33 Well No. 1, (API #30-005-63852) a horizontal wellbore to test for production in the Wolfcamp formation in the N/2 of Section 33 but with a surface location located in the adjoining Section 32 at a point 760 feet FNL and 147 FEL (Unit A) of Section 32 (the "original surface location").
2. The original surface location was to be on the same drill pad as the Gate Dancer 1525-32 Well No. 1-Y (API #30-005-63885).
3. As a result of the successful completion of the Gate Dancer well, Parallel's engineers are concerned that it may be unsafe to now drill the Personally wellbore on the same pad with a producing well, and have recommend that the Personally wellbore's surface location to change by moving it into Section 33 as an unorthodox surface location 760 feet NSL and 235 feet FWL (Unit D) of Section 33.

4. In addition, the original AFE contemplated a vertical pilot hole through the Wolfcamp and then coming back to a kick off point in the Wolfcamp for the horizontal portion of the wellbore. Based upon the information gained from the Gate Dance, Parallel now proposes to drill the Personally well without a pilot hole and without obtaining electric logs. Drilling this pilotless hole will save an estimated \$120,000.

WHEREFORE, Parallel Petroleum Corporation, requests that the Division reopen this case, amend the application and grant these requested modifications.

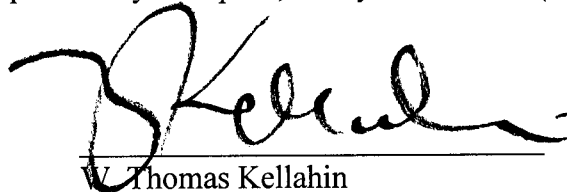
RESPECTFULLY SUBMITTED:



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**CERTIFICATE OF SERVICE**

I hereby certified that a true and correct of this pleading was delivered to Mr. James Bruce, Esq. Attorney for Spiral, Inc. by facsimile at (505) 982-2151 this April 9, 2007.

  
W. Thomas Kellahin

**CASE 13864: (Reopened and Amended)** Application of Parallel Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant seeks to reopen Case 13864 heard on February 15, 2007 and to amend the surface location, its drilling program and AFE so that: (i) the approved surface location is moved from Unit A in Section 32, T15S, R25E to an unorthodox surface location 760 feet FNL and 235 feet FWL (Unit D) in Section 33, T15S, R25E (ii) the drilling program is change to exclude a pilot hole and electric logs and (iii) to AFE is reduced by estimated \$120,000. The proposed 320-acre spacing unit is still the N/2 Section 33, T15S, R25E to be dedicated to the Personally 1525-33 Well No.1. (API # 30-005-63852) a horizontal wellbore. This unit is located approximately 12 miles northwest from Lake Arthur, New Mexico. **IN THE ABSENCE OF OBJECTION THIS CASE WILL BE TAKEN UNDER ADVISEMENT.**