

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

2007 FEB 7 PM 2:45

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF HEARING:**

**APPLICATION OF PARALLEL PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO**

CASE 13864

PRE-HEARING STATEMENT

**Parallel Petroleum Corporation. submits this pre-hearing statement as required by
the New Mexico Oil Conservation Division.**

APPEARANCES OF THE PARTIES

APPLICANT

**Parallel Petroleum Corp.
P.O. Box 10587
Midland, TX 79702
Attn: Mike Gray
432-349-7033**

ATTORNEY

**Thomas Kellahin, Esq.
706 Gonzales Road
Santa Fe, New Mexico 87501
505-982-4285**

OPPONENT

none

ATTORNEY

STATEMENT OF THE CASE

APPLICANT:

Parallel Petroleum Corp, in accordance with Section 70-1-17.C seeks a compulsory pooling order pooling all mineral interest from the surface to the base of the Wolfcamp formation underlying a standard 320-acre spacing unit consisting of the N/2 of Section 33, T15S, R25E, Chaves County, New Mexico for its Personally 1525-33 Well No. 1 to be drilled as an unorthodox surface location in Unit A to a standard subsurface location in Unit A of this section and the designation of Parallel Petroleum Corp. as the operator plus the standard provisions of the Division's compulsory pooling order including a 200% risk factor penalty in accordance with Commission Order R-11992, effective August 15, 2003.

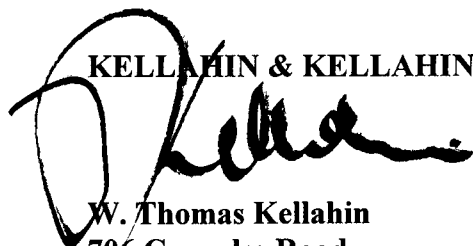
PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EST. EXHIBITS
Mike Gray (landman)	15-20 min	about 8

PROCEDURAL MATTERS

None


KELLAHIN & KELLAHIN

W. Thomas Kellahin
706 Gonzales Road
Santa Fe, New Mexico 87501
Phone 505-982-4285
Fax 505-982-2047
E-mail: tkellahin@comcast.net