

PARALLEL Petroleum Corporation

1004 North Big Spring, Suite 400 • Midland, TX 79701 • Ph: 432-684-3727 • Fax: 432-684-3905

November 6, 2006

Sent via CMRRR# 7006 0100 0001 2440 1822

Jessie Ruth Boyd Barr P.O. Box 191 Ballinger, TX 76831

Re: Personally 1525-33 No. 1 T-15-S, R-25-E Section 33: N/2 Chaves County, New Mexico



Dear Ms. Barr,

Parallel Petroleum Corporation proposes the drilling of the abovecaptioned well to horizontally test the Wolfcamp formation in the N/2 of Section 33, Township 15 South, Range 25 East, N.M.P.M. in Chaves County, New Mexico. The well will be commenced at an off lease location in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. and will be drilled to an approximate vertical depth of 4, 750'. The well will then be drilled horizontally to encounter the Wolfcamp objective at a legal location in the NW/4 NW/4 of Section 33 and to a projected orthodox terminus in the NE/4 NE/4 of Section 33.

This well will share a drilling pad with a well operated by Parallel Petroleum in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. The cost of facilities used by both wells will be allocated equally.

Based on an examination of the mineral ownership records located in Chaves County, New Mexico, it appears that your interest in the proposed well would be 0.003793089%.

Enclosed please find an Authority for Expenditure estimating the cost of the proposed well. The total cost for the proposed well is estimated to be \$2,601,300.00. Please mark the appropriate space provided below indicating whether or not you intend to join in the drilling of the well. Should you elect to join in the drilling of the well you will be liable for your proportionate share of the actual cost of drilling which is estimated to be \$9,866.96. If you elect to join, please return a signed copy of the Authority

for Expenditure. Additionally, if you elect to join, please furnish us with your well information requirements.

Yours, truly,

Michael M. Gray Land Manager, New Mexico



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JESSIE RUTH BOYD BARR

_____ I/We elect to participate in the proposed Personally 1525-33 No. 1 well and enclose an executed Authority for Expenditure.

____ I/We elect not to participate in the proposed well.

JESSIE RUTH BOYD BARR

By:

Name

Date:_____



JESSIE RUTH BOYD BARR

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_ I/We elect not to participate in the proposed well.

JESSIE RUTH BOYD BARR

By:_____ Name

Date:_____

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ec: 7970 7 576≩11587 21 IIII.	ZOT		Ballinger, Texas 76831	Ms. Jessie Ruth Royd Barr P. O. Box 191			7006 0100 0UUJ C'YYU JOCC			CERTIFIED MAIL.		PS Form 3811, February 2004 Domestic Return Rece	2. Article Number (Transfer from service label) 700601		BALLINGER, TX 76831		Jessie Ruth Bays BARZ	1. Article Addressed to:	Attach this card to the back of the maliplece, or on the front if space permits.	Frint your name and address on the reverse so that we can return the card to you.	Complete Items 1, 2, and 3. Also complete item 4 If Restricted Delivery is desired.	SENDER: COMPLETE THIS SECTION	
: 79702758787 *2910-07143-10-34 hulhhahalhahhhahalhahalhahalha	DELIVERABLE AS ADDRESSED	750 1 00 11/14/05		RETURNED	1st NOTICE ICTUD (1-17				x 797 United (tum Receipt 102585-02-14-1540	0100 0001 2440 1822	4. Restricted Delivery? (Extra Fee)		3. Service Time				B. Received by (Printed Name) C. Date of Delivery	A. Signature	COMPLETE THIS SECTION ON DELIVERY	
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