

**New Mexico Department of Transportation:** Numerous attempts have been made by telephone, however, the New Mexico Department of Transportation does not claim any mineral rights in the State of New Mexico.

**EOG Resources, Inc:** Well proposal/AFE letter sent to Rick Lanning at EOG on May 2, 2007. Several telephone discussions with Rick Lanning have been had, at the present time EOG Resources, Inc., and Parallel Petroleum Corporation are in the process of negotiating an agreement whereby Parallel Petroleum Corporation will receive a term assignment of EOG Resource's interests in the N/2 of Section 34, Township 15 South, Range 25 East, N.M.P.M..

**MYCO Industries, Inc., et al:** Well proposal/AFE letters sent to MYCO Industries, Inc., et al, on May 3, 2007. Several telephone discussions were had with Chuck Moran, a representative of MYCO Industries, Inc., et al. At the present time, MYCO Industries, Inc., et al has indicated their intention is to participate in the unit located in the N/2 Section 34, Township 15 South, Range 25 East, N.M.P.M., once a Joint Operating Agreement has been finished and submitted for their review.

Before the Oil Conservation Division  
Exhibit No. 12  
Parallel Petroleum Corp  
OCD CASE 13932  
Hearing: June 21, 2007