

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

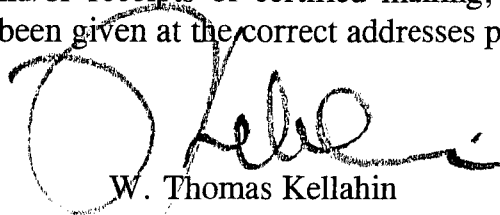
APPLICATION OF PARALLEL PETROLEUM  
CORPORATION FOR COMPULSORY POOLING  
CHAVES COUNTY, NEW MEXICO.

CASE NO. 13985

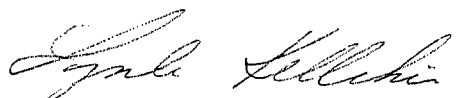
CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

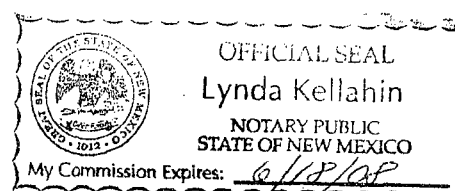
STATE OF NEW MEXICO   )  
  ) SS.  
COUNTY OF SANTA FE   )

W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and responsible for notification in this matter and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on August 30, 2007, he caused to be mailed by certified mail return-receipt requested the attached notice of this hearing (attached as Exhibit "A") and a copy of the application for the above referenced case, at least twenty days prior to the hearing of this case set for September 20, 2007 to the parties shown in the attached Exhibit "B" and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 18th day of September 2007, by W. Thomas Kellahin

  
Lynda Kellahin, Notary Public  
My Commission Expires: June 18, 2008



Before the Oil Conservation Division  
Exhibit No. 12  
Parallel Petroleum Corp  
OCD CASE 13985  
Hearing: September 20, 2007

**KELLAHIN & KELLAHIN**  
**Attorney at Law**

**W. THOMAS KELLAHIN**  
706 GONZALES ROAD  
SANTA FE, NEW MEXICO 87501

TELEPHONE 505-982-4285  
FACSIMILE 505-982-2047  
TKELLAHIN@COMCAST.NET

August 30, 2007

CERTIFICATE MAIL-RETURN RECEIPT REQUESTED  
NOTICE OF THE HEARING OF THE FOLLOWING  
NEW MEXICO OIL CONSERVATION DIVISION CASE:

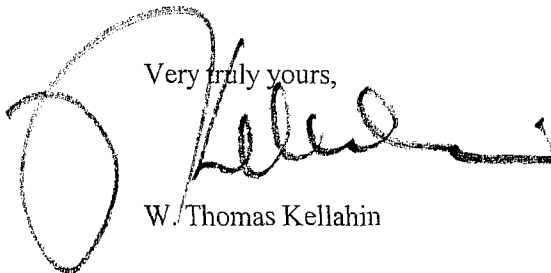
*Re: Application of Parallel Petroleum Corporation for Compulsory  
Pooling Chaves County, New Mexico*

On behalf of Parallel Petroleum Corporation, please find enclosed our application for an compulsory pooling for N/2 of Section 28, T15S, R25E, Eddy County, NM to be dedicate to its Native Dancer 1525-28 Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for at 8:15 am on September 20, 2007. The hearing will be held at the Division hearing room located at 1220 South St. Francis Drive, Santa Fe, New Mexico.

You are not required to attend this hearing, but as an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Rule 1208.B, parties appearing in cases are required to file a Pre-Hearing Statement with the Division not later than 5:00 pm on Thursday, September 13, 2007, with a copy delivered to the undersigned. This statement must include: a summary of your position, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and the identification of any procedural matters that are to be resolved prior to the hearing. In addition, the Division will impose a 200% risk charge unless you declare in this Pre-Hearing Statement that you intend to oppose it. Please note that the burden of proof as to this issue will be yours. If you have any questions about this case you may contact Aaron L. Myers at 432-684-3727.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', is written over a large, stylized circular flourish.

W. Thomas Kellahin

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PS Form 3800, June 2002 See Reverse for Instructions