

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-015-35376

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

WALNUT DRAW UNIT 1821-25 STATE

8. Well Number

1

9. OGRID Number

230387

10. Pool name or Wildcat

FOUR MILE DRAW, WOLF CAMP, SW

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐

Gas Well ☒

Other

2. Name of Operator

PARALLEL PETROLEUM CORPORATION

3. Address of Operator

1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701

4. Well Location

Unit Letter A : 660 feet from the NORTH line and 230 feet from the EAST line

Section 25 Township 18S Range 21E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4078

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

04-06-07 SET 16" CONDUCTOR @ 90'

04-07-07 MIRU DRILLING RIG, SPUD @ 0600 AM

04-09-07 RUN 8.625 CSG, 11" HOLE, 24# SET @ 1542, CMT W/

LEAD #1: 100 SX PP W/DIAMOND SEAL, 14 PPG, 1.53 CF/SX YLD

LEAD #2: 100 SX PP + 1% THIXSET+0.25% WG-17, 14 PPG, 1.53 CF/SX YLD

LEAD #3: 500 SX LIGHT PP + 5# GILSONITE+2% CACL, 12.4 PPG, 2.04 CF/SX YLD

TAIL: 390 SX PP + 2% CACL, 14.8 PPG, 1.34 CF/SX YLD, 5 CENTRALIZERS

TOC: 865 BY TEMP SURVEY (ATTACHED) WOC: 9 HR, TEST CSG TO 1000 PSI FOR 30 MINUTES

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Kaye McCormick TITLE SR PROD & REG TECH DATE 05-01-2007

Type or print name KAYE MC CORMICK

E-mail address:

kmccormick@plll.com

Telephone No. 432-685-6563

For State Use Only

FOR RECORDS ONLY

MAY 03 2007

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval, if any:

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Office
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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

S CONSERVATION DIVISION
300 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-35376
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: WALNUT DRAW UNIT 1821-25 STATE
8. Well Number 1
9. OGRID Number 230387
10. Pool name or Wildcat FOUR MILE DRAW, WOLF CAMP, SW

Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other _____	Month - Year MAY 3 2007 OCD - ARTESIA, NM	7. Lease Name or Unit Agreement Name: WALNUT DRAW UNIT 1821-25 STATE
2. Name of Operator PARALLEL PETROLEUM CORPORATION		8. Well Number 1
3. Address of Operator 1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701		9. OGRID Number 230387
4. Well Location Unit Letter A : 660 feet from the NORTH line and 230 feet from the EAST line Section 25 Township 18S Range 21E NMPM County EDDY		10. Pool name or Wildcat FOUR MILE DRAW, WOLF CAMP, SW
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4078		

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ TEMPORARILY ABANDON ☐ CHANGE PLANS ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐ OTHER: ☐	SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTERING CASING ☐ COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐ CASING TEST AND CEMENT JOB ☒ OTHER: LOGS (ENCLOSED) ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

04-25-2007: TD WELL @ 8528 MD, 4246 TVD
04-26-2007: RUN 5.5, 7.875" HOLE, 17# SET @ 8526. CMT W/
LEAD: 550 SX HALLIBURTON INTERFILL C, 11.0 PPG, 2.45 CF/SX YLD
TAIL: 450 SX P ASC + 0.7% HALAD 344+0.25# D-AIR 3000+0.6% HR601 + 10# SILICALITE
5/50 POZ MIX, 15 PPG, 2.61 CF/SX YLD. 117 CENTRALIZERS
TOC: CIRC TO SURFACE, CIRCULATED 162 SX
WOC: 8 HR, TEST CSG TO 1500 PSI FOR 30 MINUTES
RAN PLATFORM EXPRESS THREE DETECTOR LITHO-DENSITY, CN/HNGS LOGS (ENCLOSED)

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed/closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Kaye McCormick TITLE SR PROD & REG TECH DATE 05-01-2007
Type or print name KAYE MC CORMICK E-mail address: kmccormick@plll.com
Telephone No. 432-685-6563

For State Use Only **FOR RECORDS ONLY**

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

MAY 03 2007

Walnut Draw 1821-25 State #1 Gyro+MWD to 8528' Final Surveys

Report Date: April 26, 2007	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: Parallel Petroleum	Vertical Section Azimuth: 269.970°
Field: NM, Eddy County (Parallel Petroleum)	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: Parallel Pet. Walnut Draw Unit 1821-25 State #1 / Walnut Draw Unit 1821-25 State	TVD Reference Datum: RKB
Well: Walnut Draw Unit 1821-25 State #1	TVD Reference Elevation: 4093.5 ft relative to
Borehole: Horizontal	Sea Bed / Ground Level Elevation: 4078.000 ft relative to
UWAPI#:	Magnetic Declination: 8.680°
Survey Name / Date: Walnut Draw 1821-25 State #1 Gyro+MWD 0' to 8528' Final / April 20, 2007	Total Field Strength: 49234.051 nT
Tort / AHD / DDI / ERD ratio: 141.766° / 4532.91 ft / 6.104 / 1.051	Magnetic Dip: 60.561°
Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone, US Feet	Declination Date: April 20, 2007
Location Lat/Long: N 32 43 26.319, W 104 44 21.894	Magnetic Declination Model: BGGM 2006
Location Grid N/E Y/X: N 627333.200 ftUS, E 375115.500 ftUS	North Reference: Grid North
Grid Convergence Angle: -0.21952737°	Total Corr Mag North -> Grid North: +8.900°
Grid Scale Factor: 0.99992695	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	Sub-Sea TVD (ft)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Mag / Grav Tool Face (deg)
Tie-In to Gyro	3800.00	0.29	211.17	-296.37	3797.13	66.80	-86.27	-66.75	109.08	217.73	0.16	273.06M
	3871.00	0.56	273.06	-225.37	3868.13	67.24	-86.41	-67.19	109.46	217.87	0.70	271.23M
	3904.00	4.22	271.23	-192.41	3901.09	68.61	-86.37	-68.57	110.28	218.45	11.09	271.34M
	3936.00	9.85	271.34	-160.66	3932.84	72.53	-86.28	-72.49	112.69	220.03	17.59	2.15R
	3968.00	15.37	272.12	-129.45	3964.05	79.51	-86.06	-79.47	117.14	222.72	17.26	0.45L
	4000.00	20.74	272.00	-99.03	3994.47	89.42	-85.71	-89.37	123.83	226.20	16.78	0.93R
	4032.00	25.20	272.17	-69.58	4023.92	101.89	-85.25	-101.85	132.82	230.07	13.94	2.47L
	4064.00	29.29	271.81	-41.13	4052.37	116.53	-84.75	-116.49	144.05	233.96	12.79	2.82R
	4095.00	33.19	272.16	-14.63	4078.87	132.60	-84.19	-132.55	157.03	237.58	12.59	6.55L
	4127.00	37.20	271.40	11.51	4105.01	151.03	-83.62	-150.98	172.59	241.02	12.61	1.76R
	4159.00	40.59	271.56	36.41	4129.91	171.11	-83.10	-171.07	190.18	244.09	10.60	1.18R
	4191.00	43.97	271.66	60.08	4153.58	192.63	-82.50	-192.58	209.51	246.81	10.56	5.48L
	4223.00	47.02	271.26	82.51	4176.01	215.44	-81.92	-215.39	230.44	249.18	9.57	9.07L
	4254.00	51.33	270.38	102.77	4196.27	238.89	-81.59	-238.84	252.39	251.14	14.07	2.46R
	4286.00	55.16	270.58	121.92	4215.42	264.52	-81.37	-264.48	276.71	252.90	11.98	5.53L
	4318.00	58.69	270.18	139.38	4232.88	291.33	-81.19	-291.29	302.39	254.42	11.08	2.93R
	4350.00	62.15	270.38	155.17	4248.67	319.15	-81.06	-319.11	329.24	255.75	10.83	4.34R
	4381.00	65.39	270.65	168.87	4262.37	346.96	-80.81	-346.91	356.20	256.89	10.48	5.98R
	4413.00	68.68	271.02	181.36	4274.86	376.41	-80.38	-376.37	384.86	257.95	10.34	2.48L
	4445.00	72.88	270.83	191.89	4285.39	406.62	-79.89	-406.58	414.35	258.88	13.14	2.45R
	4477.00	75.83	270.96	200.52	4294.02	437.42	-79.41	-437.38	444.53	259.71	9.23	1.34R
	4509.00	78.76	271.03	207.56	4301.06	468.63	-78.87	-468.59	475.18	260.45	9.16	0.39L
	4540.00	81.68	271.01	212.82	4306.32	499.17	-78.32	-499.13	505.24	261.08	9.42	8.70L
	4562.00	83.63	270.71	215.63	4309.13	520.99	-77.99	-520.95	526.76	261.49	8.97	22.50R
	4572.00	84.76	271.18	216.64	4310.14	530.94	-77.83	-530.90	536.57	261.66	12.23	10.66L
	4604.00	89.28	270.33	218.31	4311.81	562.88	-77.41	-562.84	568.14	262.17	14.37	0.91L
	4636.00	92.44	270.28	217.83	4311.33	594.87	-77.24	-594.83	599.83	262.60	9.88	117.42L
	4700.00	92.30	270.01	215.18	4308.68	658.82	-77.08	-658.78	663.27	263.33	0.47	57.51L
	4763.00	92.37	269.90	212.61	4306.11	721.77	-77.13	-721.73	725.84	263.90	0.21	83.98L
	4827.00	92.41	269.52	209.95	4303.45	785.71	-77.45	-785.67	789.48	264.37	0.60	135.78L
	4890.00	92.03	269.15	207.51	4301.01	848.66	-78.18	-848.62	852.21	264.74	0.84	142.74R
	4954.00	90.86	270.04	205.89	4299.39	912.63	-78.63	-912.59	915.98	265.08	2.30	145.88L
	5050.00	90.24	269.62	204.97	4298.47	1008.63	-78.92	-1008.59	1011.67	265.53	0.78	27.99R
	5146.00	91.03	270.04	203.91	4297.41	1104.62	-79.20	-1104.58	1107.42	265.90	0.93	120.84L
	5242.00	90.17	268.60	202.90	4296.40	1200.61	-80.34	-1200.57	1203.25	266.17	1.75	51.50L
	5337.00	90.52	268.16	202.33	4295.83	1295.57	-83.03	-1295.53	1298.18	266.33	0.59	33.36R
	5433.00	90.93	268.43	201.11	4294.61	1391.52	-85.88	-1391.48	1394.12	266.47	0.51	119.98L
	5527.00	90.48	267.65	199.96	4293.46	1485.46	-89.10	-1485.41	1488.08	266.57	0.96	126.53L
	5623.00	90.28	267.38	199.32	4292.82	1581.37	-93.26	-1581.32	1584.07	266.62	0.35	29.63R
	5719.00	90.86	267.71	198.37	4291.87	1677.28	-97.37	-1677.23	1680.05	266.68	0.70	20.96R
	5814.00	92.79	268.45	195.34	4288.84	1772.17	-100.55	-1772.12	1774.97	266.75	2.18	139.88R
	5909.00	91.52	269.52	191.77	4285.27	1867.09	-102.24	-1867.03	1869.83	266.87	1.75	124.25L
	6005.00	91.20	269.05	189.49	4282.99	1963.05	-103.43	-1963.00	1965.72	266.98	0.59	46.16L

	6100.00	91.44	268.80	187.30	4280.80	2058.01	-105.22	-2057.96	2060.64	267.07	0.36	27.63L
	6196.00	91.65	268.69	184.71	4278.21	2153.95	-107.32	-2153.90	2156.57	267.15	0.25	164.45R
	6291.00	90.14	269.11	183.23	4276.73	2248.92	-109.14	-2248.87	2251.51	267.22	1.65	50.42L
	6387.00	90.76	268.36	182.47	4275.97	2344.90	-111.26	-2344.84	2347.48	267.28	1.01	68.49L
	6483.00	90.89	268.03	181.09	4274.59	2440.84	-114.28	-2440.78	2443.46	267.32	0.37	137.29L
	6578.00	90.76	267.91	179.72	4273.22	2535.77	-117.65	-2535.71	2538.44	267.34	0.19	42.50L
	6674.00	91.24	267.47	178.05	4271.55	2631.68	-121.52	-2631.62	2634.42	267.36	0.68	7.63R
	6770.00	92.06	267.58	175.28	4268.78	2727.55	-125.66	-2727.49	2730.38	267.36	0.86	125.80L
	6865.00	91.75	267.15	172.13	4265.63	2822.40	-130.03	-2822.34	2825.33	267.36	0.56	110.38L
	6961.00	91.62	266.80	169.30	4262.80	2918.23	-135.09	-2918.16	2921.29	267.35	0.39	158.20R
	7056.00	90.72	267.16	167.36	4260.86	3013.08	-140.09	-3013.01	3016.26	267.34	1.02	50.85L
	7151.00	91.07	266.73	165.88	4259.38	3107.94	-145.16	-3107.86	3111.25	267.33	0.58	71.11R
	7247.00	91.20	267.11	163.98	4257.48	3203.78	-150.31	-3203.70	3207.23	267.31	0.42	179.12L
	7343.00	89.90	267.09	163.06	4256.56	3299.65	-155.17	-3299.57	3303.22	267.31	1.35	31.61L
	7438.00	90.55	266.69	162.68	4256.18	3394.52	-160.32	-3394.43	3398.22	267.30	0.80	55.01L
	7532.00	90.62	266.59	161.72	4255.22	3488.35	-165.83	-3488.27	3492.21	267.28	0.13	1.43R
	7628.00	91.82	266.62	159.68	4253.18	3584.16	-171.52	-3584.07	3588.18	267.26	1.25	163.76R
	7723.00	90.00	267.15	158.17	4251.67	3679.01	-176.68	-3678.92	3683.16	267.25	2.00	137.07L
	7819.00	89.14	266.35	158.89	4252.39	3774.85	-182.12	-3774.76	3779.15	267.24	1.22	80.22R
	7914.00	89.24	266.93	160.24	4253.74	3869.68	-187.69	-3869.59	3874.13	267.22	0.62	15.80R
	8010.00	90.76	267.36	160.24	4253.74	3965.56	-192.47	-3965.46	3970.13	267.22	1.65	16.33R
	8105.00	91.92	267.70	158.01	4251.51	4060.45	-196.56	-4060.35	4065.10	267.23	1.27	161.56L
	8200.00	89.52	266.90	156.82	4250.32	4155.33	-201.04	-4155.23	4160.09	267.23	2.66	19.04R
	8296.00	90.65	267.29	156.68	4250.18	4251.21	-205.90	-4251.10	4256.08	267.23	1.25	9.70L
	8392.00	91.41	267.16	154.95	4248.45	4347.08	-210.55	-4346.97	4352.07	267.23	0.80	122.13L
Final MWD Survey	8453.00	91.14	266.73	153.59	4247.09	4407.98	-213.80	-4407.87	4413.05	267.22	0.83	—
Projection to Bit	8528.00	91.14	266.73	152.10	4245.61	4482.58	-218.07	-4482.58	4487.88	267.21	0.00	—

Survey Type: Non-Def Survey

Survey Error Model: SLB ISCWSA version 24 *** 3-D 95.00% Confidence 2.7955 sigma

Surveying Prog:

MD From (ft)

0.00
15.50
3800.00
3871.00

MD To (ft)

15.50
3800.00
3871.00
8528.00

EOU Freq Survey Tool Type

Act-Stns SLB_CNSG+DPIPE-Depth Only
Act-Stns SLB_CNSG+DPIPE
Act-Stns SLB_CNSG+DPIPE
Act-Stns SLB_MWD-STD

Borehole -> Survey

Pilot -> Walnut Draw 1821-25 State #1 Gyro 0' to 4452'
Pilot -> Walnut Draw 1821-25 State #1 Gyro 0' to 4452'
Horizontal -> Walnut Draw 1821-25 State #1 Gyro+MWD 0' to 8528' Final
Horizontal -> Walnut Draw 1821-25 State #1 Gyro+MWD 0' to 8528' Final

A Gyrodata Directional Survey

for

PARALLEL PETROLEUM

Lease: Walnut Draw Unit 1821-25 State Well: No. 1, 4-1/2 Drillpipe
Location: J W Drilling # 4, Eddy County, New Mexico

Job Number: MD0407GW165

Run Date: 16 Apr 2007

Surveyor: Junior Pena; James King

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.723978 deg. N Longitude: 104.739414 deg. W

Azimuth Correction:

Gyro: 0.22000 deg East to Grid North

Proposed Well Direction: 271.000 deg

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

Parallel Petroleum

Lease: Walnut Draw Unit 1821-25 State Well: No. 1, 4-1/2 Drillpipe

Location: J W Drilling # 4, Eddy County, New Mexico

Job Number: MD0407GW165

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.0	0.00	0.00	0.0 0.0	0.00 N 0.00 E

0 - 4452 ft RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2 DRILLPIPE							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO JW DRILLING #4 RKB (+13FT)							

100.00	0.59	308.91	0.4	0.59	100.00	0.5 308.9	0.32 N 0.40 W
200.00	0.68	308.49	1.3	0.10	199.99	1.6 308.8	1.01 N 1.26 W
300.00	0.27	288.59	2.0	0.44	299.99	2.4 306.8	1.46 N 1.96 W
400.00	0.31	221.82	2.4	0.32	399.99	2.7 299.5	1.34 N 2.36 W
500.00	0.40	204.14	2.7	0.14	499.99	2.8 287.0	0.82 N 2.69 W
600.00	0.43	175.73	2.8	0.20	599.98	2.8 272.7	0.13 N 2.80 W
700.00	0.29	169.53	2.7	0.14	699.98	2.8 259.8	0.49 S 2.73 W
800.00	0.85	189.66	2.8	0.59	799.98	3.2 242.2	1.48 S 2.80 W
900.00	1.84	198.15	3.4	1.00	899.95	5.1 222.6	3.73 S 3.43 W
1000.00	2.41	191.98	4.2	0.62	999.88	8.5 210.8	7.32 S 4.37 W
1100.00	3.40	202.93	5.8	1.13	1099.75	13.5 206.2	12.11 S 5.96 W
1200.00	4.63	211.82	8.9	1.38	1199.50	20.5 206.8	18.28 S 9.25 W
1300.00	4.95	213.66	13.3	0.35	1299.15	28.8 208.6	25.30 S 13.77 W
1400.00	5.04	216.64	18.2	0.27	1398.77	37.5 210.1	32.42 S 18.78 W
1500.00	4.78	219.34	23.4	0.35	1498.41	46.0 211.5	39.16 S 24.04 W
1600.00	3.79	218.20	27.9	0.99	1598.13	53.4 212.6	44.98 S 28.72 W
1700.00	3.30	218.15	31.7	0.49	1697.93	59.5 213.1	49.84 S 32.54 W
1800.00	2.90	217.23	34.9	0.40	1797.79	64.9 213.5	54.11 S 35.85 W
1900.00	2.61	217.80	37.8	0.29	1897.67	69.7 213.8	57.93 S 38.78 W
2000.00	2.44	216.11	40.3	0.19	1997.57	74.1 214.0	61.44 S 41.42 W

A Gyrodata Directional Survey

Parallel Petroleum

Lease: Walnut Draw Unit 1821-25 State Well: No. 1, 4-1/2 Drillpipe

Location: J W Drilling # 4, Eddy County, New Mexico

Job Number: MD0407GW165

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
2100.00	2.15	219.60	42.7	0.32	2097.49	78.1 214.2	64.61 S 43.87 W
2200.00	1.91	225.10	45.1	0.31	2197.43	81.6 214.5	67.23 S 46.25 W
2300.00	1.92	224.94	47.4	0.02	2297.38	84.9 214.9	69.59 S 48.61 W
2400.00	1.73	226.31	49.6	0.20	2397.33	88.0 215.3	71.82 S 50.89 W
2500.00	1.48	230.38	51.7	0.27	2497.29	90.8 215.7	73.69 S 52.97 W
2600.00	1.40	228.45	53.6	0.09	2597.25	93.2 216.1	75.32 S 54.88 W
2700.00	1.18	231.34	55.3	0.23	2697.23	95.4 216.4	76.78 S 56.61 W
2800.00	1.08	232.57	56.8	0.11	2797.21	97.3 216.7	77.99 S 58.16 W
2900.00	1.01	236.70	58.3	0.10	2897.19	99.0 217.0	79.05 S 59.64 W
3000.00	0.96	233.68	59.6	0.08	2997.18	100.7 217.3	80.03 S 61.05 W
3100.00	0.92	230.67	60.9	0.06	3097.16	102.2 217.6	81.04 S 62.35 W
3200.00	0.76	229.29	62.0	0.17	3197.15	103.7 217.8	81.98 S 63.48 W
3300.00	0.71	217.04	62.9	0.16	3297.15	105.0 217.8	82.91 S 64.35 W
3400.00	0.58	200.07	63.4	0.23	3397.14	106.1 217.7	83.88 S 64.90 W
3500.00	0.49	206.38	63.8	0.11	3497.13	107.0 217.6	84.73 S 65.26 W
3600.00	0.45	230.99	64.3	0.20	3597.13	107.8 217.6	85.36 S 65.76 W
3700.00	0.40	231.42	64.8	0.05	3697.13	108.5 217.7	85.83 S 66.34 W
3800.00	0.29	211.17	65.2	0.16	3797.13	109.1 217.7	86.27 S 66.75 W
3900.00	0.13	127.20	65.3	0.31	3897.13	109.3 217.7	86.56 S 66.79 W
4000.00	0.26	80.59	65.0	0.19	3997.13	109.2 217.5	86.59 S 66.48 W
4100.00	0.25	84.67	64.5	0.02	4097.12	108.9 217.3	86.54 S 66.04 W
4200.00	0.34	89.12	64.0	0.08	4197.12	108.5 217.1	86.51 S 65.52 W
4300.00	0.28	88.75	63.5	0.06	4297.12	108.2 216.9	86.50 S 64.99 W
4400.00	0.26	90.37	63.0	0.02	4397.12	107.9 216.7	86.50 S 64.52 W

A Gyrodata Directional Survey

Parallel Petroleum

Lease: Walnut Draw Unit 1821-25 State Well: No. 1, 4-1/2 Drillpipe

Location: J W Drilling # 4, Eddy County, New Mexico

Job Number: MD0407GW165

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
4452.78	0.14	80.64	62.8	0.23	4449.90	107.8 216.6	86.49 S 64.34 W

Final Station Closure: Distance: 107.79 ft Az: 216.65 deg.

Parallel Petroleum

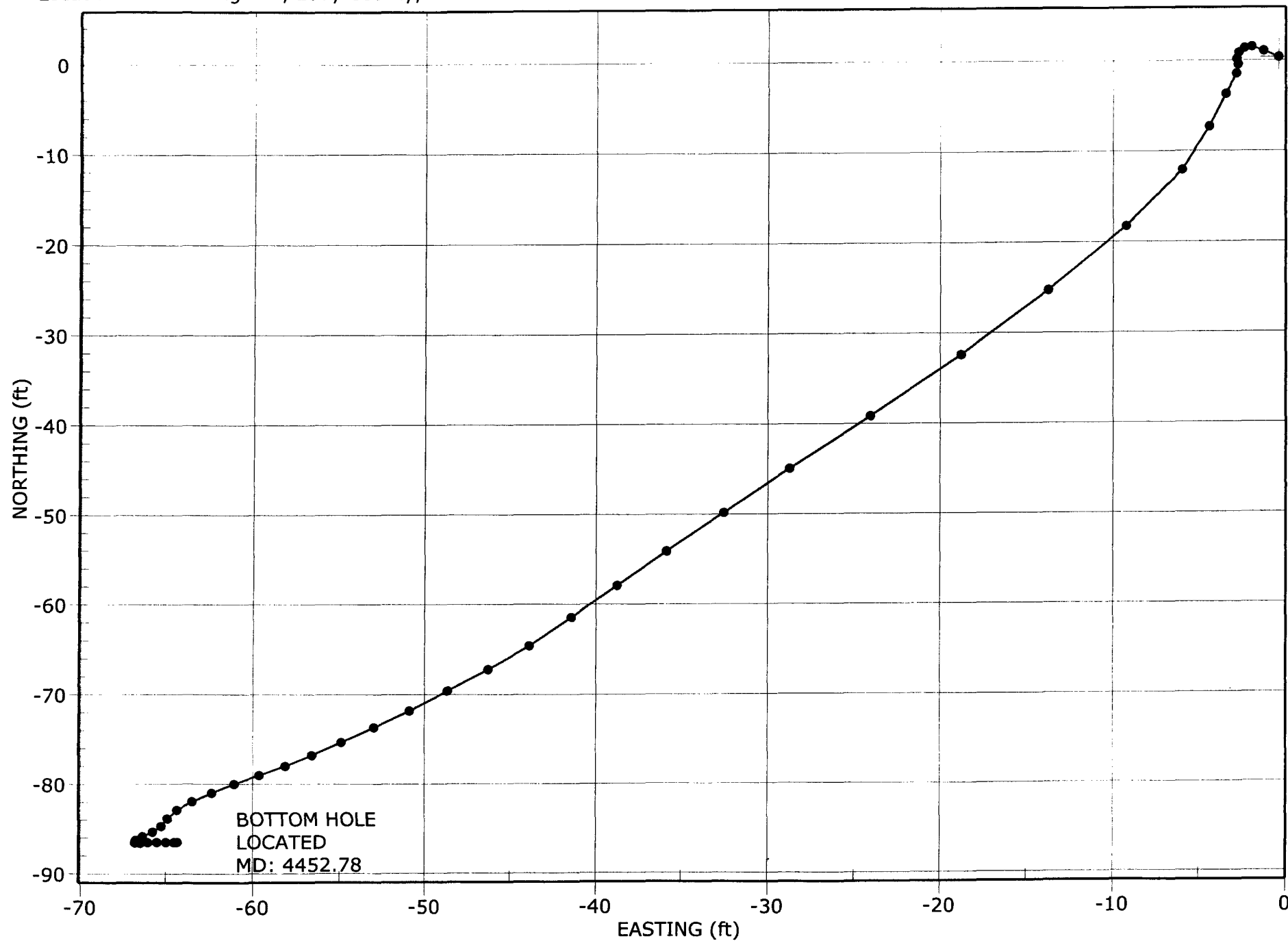
Well: Walnut Draw Unit 1821-25 State No. 1 4-1/2 Drillpipe

Location: J W Drilling # 4, Eddy County, New Mexico

Interp Inrun_Ia

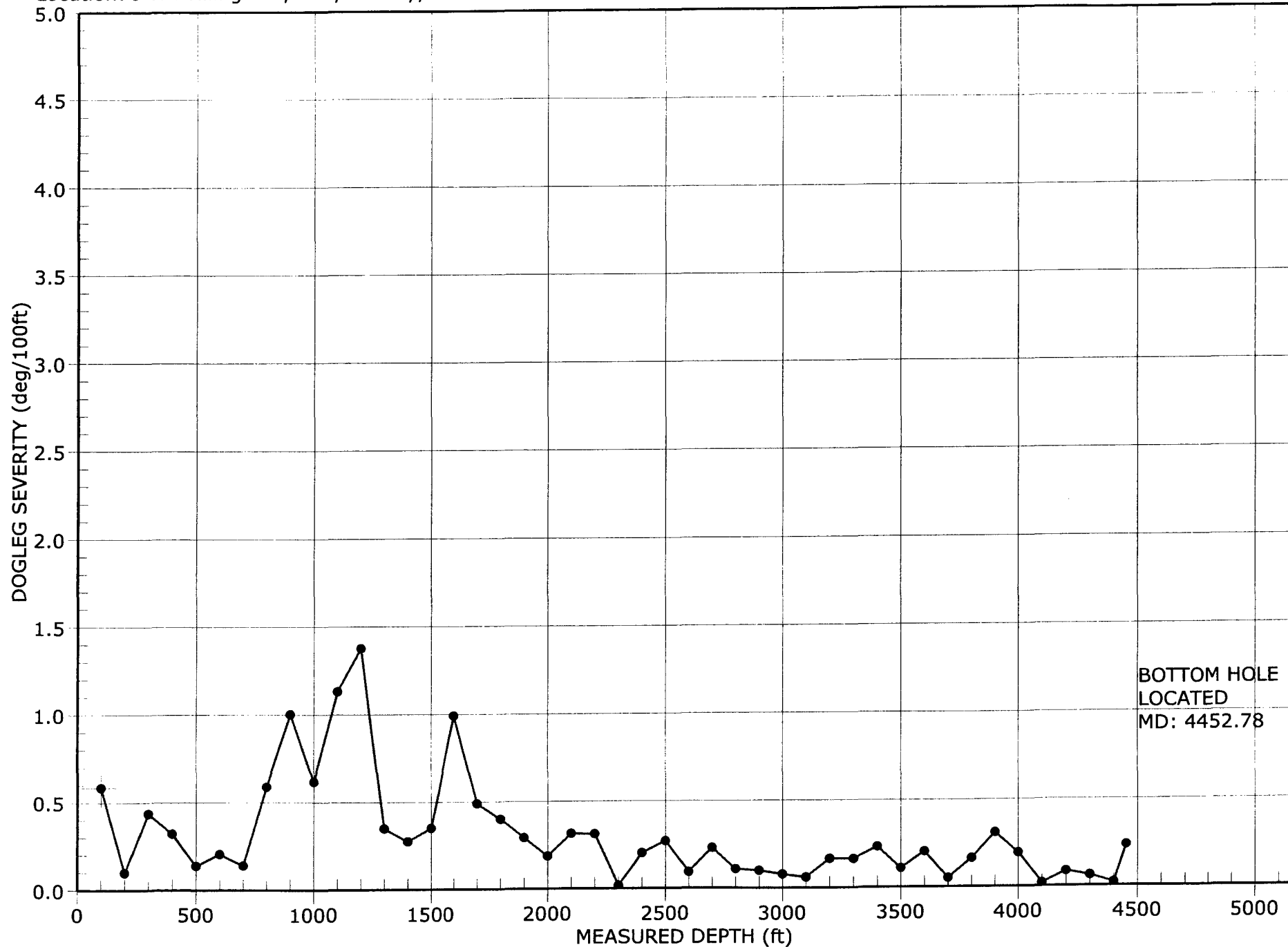
Gyrodata

MD0407GW165 DEFINITIVE



Parallel Petroleum
Well: Walnut Draw Unit 1821-25 State No. 1 4-1/2 Drillpipe
Location: J W Drilling # 4, Eddy County, New Mexico

Interp Inrun_Ia
Gyrodata
MD0407GW165 DEFINITIVE



Parallel Petroleum
Well: Walnut Draw Unit 1821-25 State No. 1 4-1/2 Drillpipe
Location: J W Drilling # 4, Eddy County, New Mexico

Interp Inrun_Ia
Gyrodata
MD0407GW165 DEFINITIVE

