

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88213

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

Form C-103

May 27, 2004

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

WELL API NO.

30-015-35377

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Hope Unit 1821-16 State

8. Well Number 1

9. OGRID Number

230387

10. Pool name or Wildcat
Wildcat; WolfcampSUNDRY 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 St., Suite 400, Midland, Texas 79701

4. Well Location

Unit Letter P : 778 feet from the South line and 200 feet from the East line
Section 16 Township 18S Range 21E NMPM Eddy County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4223' GRPit or Below-grade Tank Application ☐ or Closure ☐Pit type Depth to Groundwater 690' Distance from nearest fresh water well 6000' Distance from nearest surface water 800'Pit Liner Thickness: minimum 12 mil Below-Grade Tank: Volume 25,000 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 ☐ PLUGGING OF THE WELLBORE ☒OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☒CASING/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 1403: FOR Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. **Plugging of the well bore. Liability under bond is retained until surface restoration, environmental remediation and final inspection is completed.**

Work performed on 4-23-07.

11" surface hole was lost due to stuck pipe on bottom at 380' and fish in the hole with top of fish at 204'.

TIH and tag at 184'. Spot #1 50 sx Thixotropic. WOC 3 hrs. Tag at 140'. Spot #2 50 sx Class C. WOC 3 hrs. Tag at 132'. Spot #3 50 sx

Thixotropic. WOC 3 hrs. Tag at 132'. Spot #4 25 sx Thixotropic. WOC 2.5 hrs. Tag at 122'. Spot #5 25 sx Thixotropic. WOC 2 hrs.

Tag at 122'. Spot #6 50 sx Thixotropic. WOC 2 hrs. Tag at 110'. Spot #7 25 sx Thixotropic. WOC 2 hrs. Tag at 62'. Pumped stage #8 85 sx Class C. Circulated 5 sx to pit.

Cut 16" conductor and install P & A marker.

New surface coordinates and BHL for the Hope Unit 1821-16 State #1Y are: SL 760' FSL and 200' FEL Sec 16, T18S, R21E

BHL 760' FSL and 660' FWL Sec 16, T18S, R21E

Eddy County, New Mexico

Intend to move surface location of Hope Unit 1821-15 State #2 to best location upon finish of drilling of the #1Y well.

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Deane Durham TITLE Engineer DATE 4-24-07Type or print name Deane DurhamE-mail address: ddurham@p111.com Telephone No. (432) 684-3727

For State Use Only

APPROVED BY: Gerry Guye TITLE Deputy Field Inspector DATE APR 27 2007Conditions of Approval (if any)

District II - Artesia