

UNITED STATES N.M. Oil Cons. DIV-Dist 2
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

PARALLEL PETROLEUM CORPORATION

3a. Address

P.O. BOX 10587, MIDLAND, TX 79702

3b. Phone No. (include area code)

432-685-6563

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

D-20-155-25E SHL

5. Lease Serial No.

NM 112249

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

LETTERS 1525-20 FEDERAL 1

9. API Well No.

30-005-63934

10. Field and Pool, or Exploratory Area

WILDCAT; WOLFCAMP

11. County or Parish, State

CHAVES NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other <u>X</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>SPUD</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | <u>RUN SURE CSG</u> |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

09-04-07 SET 16" COND @ 120'

09-05-07 MIRU, SPUD @1630 HRS

09-06-07 8.625" CSG, 11" HOLE, 24# SET @ 1483', CMT W/ LEAD 500 SX HALLIBURTON PREMIUM PLUS C + S #
GILSONITE + 2% CACL + CFR-3, 12.4 PPG, 2.05 YIELD
TAIL 390 SX HALLIBURTON PREMIUM PLUS + 1% CACL, 14.8 PPG, 1.33 YIELD, 5 CENTRALIZERS

TOC: CIRCULATED 200 SX TO SURFACE

WOC: 12 HRS TEST CSG TO 1000 PSI FOR 30 MIN.

ACCEPTED FOR RECORD

SEP 25 2007

ALEXIS C. SWOBODA
PETROLEUM ENGINEER14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

SHELLI FINCHER

Title

PROD. TECH.

Date 09-21-07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations or to any matter within its jurisdiction.

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Well Information

WELL NAME

LETTERS 1525-20 FEDERAL #1H

Date: 26-Jul-07

Cement First Stage

Spacer Description

H2O

Bbls of Spacer: 20

Cap Slurry or Nitrify Mud Ahead.

Lead #1 Slurry

PREMIUM PLUS - C

Lead #2 Slurry

HLC PREMIUM PLUS

Tail Slurry

PREMIUM PLUS, 2% CACL

Lead #1

Lead#2

Tail

Volume, sx

500

390

Percent Excess

150%

150%

Density, ppg

12.4

14.8

Yield, cu ft/sx

2.05

1.33

Mix wtr, gal/sx

10 93

6.35

Actual job time,hrs min

37,MIN

14,MIN

Thickening time,hrs min

12 hr strength, psi

24 hr strength, psi

72 hr strength, psi

Fluid loss, cc/30 min

Free water, %

Nitrogen rate, scf/bbl

Plug bumped?

YES @21.00 HOUR

Floats held?

YES

TOC plan

SURFACE

TOC actual

SURFACE

Sacks circ:

200

Est. Washout %

Mix rate

6

Disp rate

6.5

Full returns

YES

Lost returns @

Cement Second Stage:

Spacer Description:

Bbls of Spacer:

Depth of Stage(DV) tool

Lead #1 Slurry

Lead #2 Slurry

Tail Slurry

Lead #1

Lead #2

Tail

Volume, sx

Percent Excess

Density, ppg

Yield, cu ft/sx

Mix wtr, gal/sx

Actual job time,hrs:min

Thickening time,hrs:min

12 hr strength, psi

24 hr strength, psi

72 hr strength, psi

Fluid loss, cc/30 min

Free water, %

Nitrogen rate, scf/bbl

Plug bumped?

Floats held?

TOC plan

TOC actual

Sacks circ:

Est. Washout %

Mix rate

Disp rate

Full returns

Lost returns @

Surface Casing and Cement Report -Parallel Petroleum Corporation

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Well Information				DATE: <u>18-Aug-07</u>	
Well Name <u>LETTERS 1525-20 FEDERAL #1H</u>		Field <u>Wildcat Wolfcamp gas</u>	County <u>Chaves</u>	State <u>NM</u>	
Hole Data					
Depth	<u>1490</u>	Last Csg de	<u>120</u>	Open hole log temp	
Bit size	<u>11</u>	Last Csg ID	<u>15.375</u>	Estimated BHST	
Max. Deviation	<u>1 3/4</u>	Mud Type	<u>WATER</u>	Estimated BHCT	
Depth of Max Dev.	<u>1452</u>	Mud Data		Ann vol(cu.ft)-open hole	
		(wt-vis-FL) <u>8.4/28</u>		between csg	<u>22</u>
				other	<u>24.1</u>
				Total	<u>232</u>
Job information					
Service company: <u>Halliburton</u>		Yard: <u>YARD</u>	Job Cost: <u>\$23,267</u>		
Casing Reciprocated <u>NO</u>		Casing rotated <u>NO</u>			
Job Performance and Comments: <u>GOOD</u>					
Casing					
Casing OD	<u>8 5/8</u>	Shoe Depth	<u>1,483</u>	Stage Tool Depth	
Casing ID	<u>8.097</u>	Float/LC Depth	<u>1442</u>	Depth	
Casing ID	<u>15.375</u>	Depth	<u>120</u>	Top of Liner	
	Length	Weight	Grade	Conn	Remarks (Mfg, Model, Type, etc.)
Shoe	<u>1.42</u>	<u>24</u>	<u>J-55</u>	<u>ST&C</u>	
Casing	<u>40.37</u>	<u>24</u>	<u>J-55</u>	<u>ST&C</u>	
Float/Land Collar	<u>1.21</u>	<u>24</u>	<u>J-55</u>	<u>ST&C</u>	
Casing	<u>1414.17</u>	<u>24</u>	<u>J-55</u>	<u>ST&C</u>	
Landing Joint	<u>26.68</u>	<u>24</u>	<u>J-55</u>	<u>ST&C</u>	
Stage(DV)Tool					
Casing					
Casing					
Liner Hanger					
Drill Pipe					
Total Footage	<u>1483.85</u>	Distribution of excess casing: <u>1 JOINTS LEFT ON ALSAB FED#1 Location</u>			
Total Casing Feet	<u>1481.22</u>				
Centralizer Size:	<u>8 5/8</u>	Number of Centralizers Used <u>5</u>			
Location of Centralizers: <u>CENTER OF SHOE JOINT AND THEN ON 3RD 5TH 7,TH AND 9TH JOINTS</u>					