

SEP 22 2008

OCD-ARTESIA

Form C-105

Revised June 10, 2003

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

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

Submit to Appropriate District Office

State Lease - 6 copies

Fee Lease - 5 copies

District I

1625 N French, Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

WELL API NO.

30-005-63918

5. Indicate Type Of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a Type of Well

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____

b. Type of Completion

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ 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 I 1880 Feet From The SOUTH Line and 208 Feet From The EAST LineSection 5Township 15SRange 25E

NMPM

CHAVES

County

10 Date Spudded

05-21-2008

11 Date T D Reached

06-03-2008

12. Date Compl (Ready to Prod)

09-11-2008

13 Elevations (DF & RKB, RT, GR, etc)

GR: 3546

14 Elev Casinghead

15. Total Depth

8838 MD

16 Plug Back T D

NA - OPEN HOLE

17 If Multiple Compl How Many Zones?

18 Intervals Drilled By

Rotary Tools

X

Cable Tools

19 Producing Interval(s), of this completion - Top, Bottom, Name

5060-5690MD; 4662-4708TVD

20 Was Directional Survey Made

YES

21 Type Electric and Other Logs Run

NONE

22 Was Well Cored

NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB /FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
16		120	(CONDUCTOR)		
8.875	24	1180	11	450 SX	
5.5	17	8822	7.875	950 SX	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8	SN @ 5125	

25. TUBING RECORD

26. Perforation record (interval, size, and number)

5060-5690MD; 4708-4701TVD//6000-6600MD; 4694-4687TVD//
7000-7630MD; 4684-4676TVD//8030-8625MD; 4662-4644TVD//
8822-8837MD; 4662-4644TVD, 36 HOLES, 0.42 DIAMETER

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
5060-8837 MD	15% HCL, 20/40 WHITE SAND, SLICK
4662-4708 TVD	WATER IN 5 STAGES

28. PRODUCTION

Date First Production 09-11-2008		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING				Well Status (Prod. or Shut-in) PRODUCING	
Date of Test 09-11-2008	Hours Tested 24 HOUR	Choke Size 48/64	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 346	Water - Bbl 242	Gas - Oil Ratio
Flow Tubing Press 175	Casing Pressure 530	Calculated 24-Hour Rate	Oil - Bbl 0	Gas - MCF 346	Water - Bbl 242	Oil Gravity - API (Corr.)	

29 Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

Test Witnessed By

30. List Attachments

31 I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Kaye McCormick Printed Name

KAYE MC CORMICK

Title SR PROD & REG TECH Date 09-19-2008

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northeastern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen NO ELECTRIC LOGS	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg RUN--ESTIMATED	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 2085	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb 3079	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo 3813	T.	T. Wingate	T.
T. Wolfcamp 4630		T. Chinle	T.
T. Penn	T.	T. Permain	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____
No. 2, from _____ to _____

No. 3, from _____ to _____
No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet _____

No. 2, from _____ to _____ feet _____

No. 3, from _____ to _____ feet _____

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-005-63918	'Pool Code 97631	'Pool Name WALNUT CREEK, WOLFCAMP GAS (97631)
'Property Code 36407	'Property Name GRINDSTONE 1525-5	'Well Number 1
'OGRID No. 230387	'Operator Name PARALLEL PETROLEUM CORPORATION	'Elevation GR: 3546

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	5	15S	25E		1880	SOUTH	208	EAST	CHAVES

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	15S	25E		1861	SOUTH	763	WEST	CHAVES

"Dedicated Acres	"Joint or Infill	"Consolidation Code	"Order No.
320			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>16</p>	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Kaye Mc Cormick</i> 9-19-2008 Signature Date KAYE MC CORMICK Printed Name</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>	
	<p>763 BH' SEC 5 208 758 1825 1880 320 AC 1861</p>	