

District I
1625 N. French Dr., Hobbs, NM 88240
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

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

WELL API NO. 30-005-63786
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SEABISQUIT
8. Well Number 002
9. OGRID Number 230387
10. Pool name or Wildcat
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3451

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 P : 400 feet from the S line and 760 feet from the E line
Section 33 Township 14S Range 26E NMPM CHAVEZ County

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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

SPUD: 01-14-2006

01-14-2006: RUN 13.375" CSG, 17.5" HOLE, 48#, SET @ 335'. CMT W/190 SX CL C + FLOCELE @ 14.4 PPG, 1.35 CF/SACK YIELD; TAIL W/250 SX CL C + 2% CALCIUM CHLORIDE @ 14.8 PPG, 1.35 CF/SACK YIELD, 5 CENTRALIZERS, CIRC TO SURFACE, 110 SX TO PIT. WOC: 16.5 HR, CASING TEST: 500 PSI FOR 30 MINUTES

01-17-2006: RUN 9.625", 12.25" HOLE, 36#, SET @ 1303'. CMT W/ 435 SX CL C; TAIL W/310 SX CL C; 5 CENTRALIZERS, CIRC TO SURFACE. WOC: 30 HR, CASING TEST: 500 PSI FOR 30 MINUTES.

02-25-2006: RUN 5.55" CSG, 7.875" HOLE, 17#, SET @ 9426.99'. CMT W/350 SX 50/50/10 CL C + 5% SALT @ 11.6 PPG, 2.6 CF/SACK YIELD; TAIL W/700 SX CL H, 20# CAC03, 1% FL 62, 6/10% BA10, 4/10% CD32, 2/10% SMS @ 15.6 PPG, 5.98 CF/SACK YIELD, 20 CENTRALIZERS, TOP OF CEMENT CALCULATED @ 838'. WOC: 24 HOURS +; CASING TEST: 500 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 Kay McCormick TITLE SR PROD & REG TECHNICIAN DATE 02-28-2006

Type or print name _____ E-mail address: _____ Telephone No. _____

For State Use Only

FOR RECORDS ONLY

MAR 02 2006

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):