

DISTRICT I
1625 N. French Dr., 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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Frances 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 30-005-63881		Pool Code	Pool Name
Property Code	Property Name WAR CLOUD 1425-36 STATE COM		Well Number 1
OGRID No.	Operator Name PARALLEL PETROLEUM CORPORATION		Elevation 3481'

Surface Location

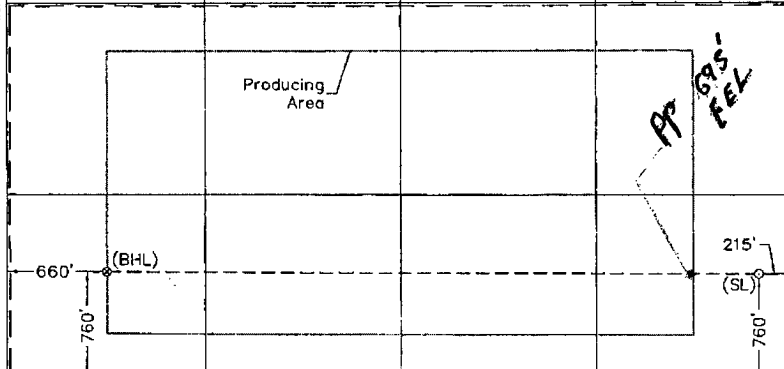
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	14 S	25 E		760	SOUTH	215	EAST	CHAVES

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
M	36	14 S	25 E		760	SOUTH	660	WEST	CHAVES

Dedicated Acres 32c	Joint or Infill	Consolidation Code	Order No.
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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>NOTE:</p> <p>1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.</p> <table border="1"><caption>Coordinate Table</caption><thead><tr><th>Description</th><th>Plane Coordinate</th></tr></thead><tbody><tr><td>War Cloud 1425-36 State Com #1</td><td>X = 483,309.0</td></tr><tr><td>Surface Location</td><td>Y = 747,199.0</td></tr><tr><td>War Cloud 1425-36 State Com #1</td><td>X = 478,881.6</td></tr><tr><td>Bottom Hole Location</td><td>Y = 747,197.8</td></tr></tbody></table>	Description	Plane Coordinate	War Cloud 1425-36 State Com #1	X = 483,309.0	Surface Location	Y = 747,199.0	War Cloud 1425-36 State Com #1	X = 478,881.6	Bottom Hole Location	Y = 747,197.8	<p>Project Area</p> 	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify 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 undivided 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 is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Deane Durbin</i> 12-4-06 Signature Date Deane Durbin Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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>December 4, 2006 Date of Survey LVA Signature & Seal of Professional Surveyor <i>M. W. O. Num.</i> W.O. Num. 2006-1248 Certificate No. MACON McDONALD 12185</p>
Description	Plane Coordinate											
War Cloud 1425-36 State Com #1	X = 483,309.0											
Surface Location	Y = 747,199.0											
War Cloud 1425-36 State Com #1	X = 478,881.6											
Bottom Hole Location	Y = 747,197.8											

PARALLEL SURVEY CALCULATION PROGRAM PETROLEUM CORPORATION

OPERATOR:	Parallel Petroleum Corporation	Supervisors:	
WELL:	War Cloud 1425-36 State Com #1		
LOCATION:	S/2 Sec. 36 T-14-S R-25-E		
API NUMBER:			
COMMENTS:			
		MAG DEC. (-/+)	
		GRID CORR. (-/+)	
		TOTAL CORR. (-/+)	0.0

DATE: 12/18/06 **TIME:** 9:39 AM TRUE TO GRID ▼

MINIMUM CURVATURE CALCULATIONS(SPE-3362)									PROPOSED DIRECTION 270.0		TARGET TRACKING TO CENTER	
SVY NUM	MD	INC	GRID AZM	TVD	VERT SECT	N-S	E-W	DLS/ 100			ABOVE(+) BELOW(-)	RIGHT(+) LEFT(-)
TIE	0	0.0	0.0	0.0	0.0	0.0	0.0					
1	4790	0.0	0.0	4790.0	0.0	0.0	0.0	0.0			460.0	0.0
2	4800	1.3	270.0	4800.0	0.1	0.0	-0.1	12.5			450.0	0.0
3	4810	2.5	270.0	4810.0	0.4	0.0	-0.4	12.5			440.0	0.0
4	5512	90.0	270.0	5249.6	459.7	0.0	-459.7	12.5			0.4	0.0
5	9457	90.0	270.0	5249.6	4404.7	0.0	-4404.7	0.0			0.4	0.0

KOP @ 4790' MD
 BUR = 12.5 DEG per 100 FT
 End Curve @ 5512' MD, 5250' TVD
 BHL @ 9457' MD, 5250' TVD, 4405' VS

Arrant, Bryan, EMNRD

From: Deane Durham [ddurham@plll.com]
Sent: Monday, December 18, 2006 9:23 AM
To: Arrant, Bryan, EMNRD
Subject: War Cloud

I did look at my permit for the War Cloud. I was a little short on the horizontal plan.

Attached is the correct well plan and a plat marked with the PP (penetration point) of 675' FEL.

I hope this clears up the permit.

Thanks for calling that to my attention. I plan all my wells to be orthodox if I can. This one slipped past me.

Deane Durham
Parallel Petroleum Corporation
NASDAQ: PLLL
<http://www.plll.com>
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Midland, Texas 79701
Ofc: 432/684-3727 x3048
Fax: 432/685-6580
Cel: 432/413-9701

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