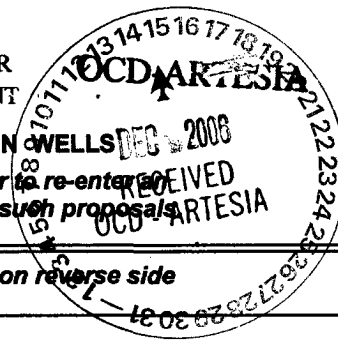


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**S**

**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.**



FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

5. Lease Serial No.  
NM 103570
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No.  
MAILBOX 1921-23  
FEDERAL #1
9. API Well No.  
30-015-35165
10. Field and Pool, or Exploratory Area  
MORROW PRIM/WOLF CAMP ALTER
11. County or Parish, State  
EDDY NM

**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  
1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701
- 3b. Phone No. (include area code)  
432-685-6563
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SL: 660 ENL & 660 FWL  
EHL: 660 ENL & 660 FEL SEC 23, TS 19S, RANGE 21E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>SPUD/</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>SURFACE CASING</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleate 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 recompleation 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.)

11-17-2006:

MIRU DRILLING RIG; SPUD @ 11:30 PM

11-21-2006:

RUN 9.625 SURFACE CASING, 12.25 HOLE, 36#, SET @ 1495.

OMT W/ LEAD #1: 75 SX C + 15# CAL-SEAL 60 + 2% CACL, 14.8 PPG, 1.54 YLD

LEAD #2: 625 SX C + 2% CACL, 14.5 PPG, 1.41 YLD

TAIL: 250 SX C + 2% CACL, 14.8 PPG, 1.35 YLD (1" TO SURFACE)

5 CENTRALIZERS

TOC: BY TEMP SURVEY @ 650', 1" 50 SURFACE, 12 SX CIRC TO SURFACE

WOC: 15 HOURS; TEST CASING @ 1225 PSI FOR 30 MINUTES

ACCEPTED FOR RECORD

DEC 13 2006

LES BABYAK  
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

KAYE MC CORMICK

Title

SR PROD & REG TECHNICIAN

Date 12-01-2006

**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 as to any matter within its jurisdiction.