

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM 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

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)

SURFACE: 450 FSL & 760 FEL, SEC 10, T19S, R21E
ACTUAL: PP: 718 FSL & 1616 FEL, SEC 10, T19S, R21E
ACTUAL: BHL: 659 FSL & 1380 FWL, SEC 10, T19S, R21E***

5. Lease Serial No.

NM NM 105853

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

JUKE BOX 1921-10 1Y

FEDERAL

9. API Well No.

30-015-35026-35347 pm

10. Field and Pool, or Exploratory Area

FOUR MILE DRAW, WOLF CAMP

11. County or Parish, State

EDDY CO

NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other <u>PERF:STIM</u>
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	<u>TBG</u>
	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

12-08 -- 12-28-06: PERF 4550 - 7313, 0.54" DIAM, 144 HOLES

STIM W/15% ACID, SLICK WATER, 20/40 & 30/70 SAND

01-25-07: 2-3/8 TBG SET, SN @ 4470

FIRST PRODUCTION BEGAN THIS DATE.

NON-STANDARD LOCATION APPROVED BY NMCD. ATTACHED IS COPY OF APPROVAL.

ACCEPTED FOR RECORD

APR - 2 2007

LES BABYAK
PETROLEUM ENGINEER14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

KAYE MC CORMICK

Title

SR PROD & REG TECHNICIAN

Date

03-21-2007

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.

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

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

Form C-104
Revised June 10, 2003

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address PARALLEL PETROLEUM CORPORATION 1004 N BIG SPRING, SUITE 400 MIDLAND, TX 79701		2 OGRID Number 230387
4 API Number 30-0 15-35026		5 Pool Name FOUR MILE DRAW, WOLF CAMP
7 Property Code	8 Property Name JUKE BOX 1921-10 FEDERAL	6 Pool Code 1Y

II. 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	10	19S	21E		450	SOUTH	760	EAST	ELDOY

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
N	10	19S	21E		659	SOUTH	1380	WEST	ELDOY

12 Lse Code	13 Producing Method Code	14 Gas Connection Date 01-25-2007	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date
-------------	--------------------------	---	------------------------	-------------------------	--------------------------

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
36785	DCP MIDSTREAM LP 3000 N 'A', BLDG 7 MIDLAND, TX 79705		G	SEC 10, T19S, R21E

IV. Produced Water

23 POD	24 POD ULSTR Location and Description
--------	---------------------------------------

V. Well Completion Data

25 Spud Date 10-27-2006	26 Ready Date 01-25-2007	27 TD MD7406:TVD 4322	28 PBTD MD: 7364:TVD4322	29 Perforations 4550 - 7313 TD	30 DHC, MC
31 Hole Size 12.25	32 Casing & Tubing Size 9.625	33 Depth Set 1515	34 Sacks Cement 1000 SK		
7.875	5.5	7406	805 SK		

VI. Well Test Data

35 Date New Oil	36 Gas Delivery Date 01-25-2007	37 Test Date 01-25-2007	38 Test Length 24 HOUR	39 Tbg. Pressure	40 Csg. Pressure 800
41 Choke Size 32/64	42 Oil	43 Water 51	44 Gas 3088	45 AOF	46 Test Method

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above 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

Email:
kmccormick@plll.com

Date:
03-21-2007

Phone:
432-685-6563

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

PARALLEL PETROLEUM

Location: PATRIOT 1, EDDY COUNTY, NEW MEXICO

Lease: JUKE BOX 1921-10 Well: FEDERAL #1-Y, 4-1/2" DRILLPIPE

Job Number: MD1106G_309

Run Date: 1/31/2000 5:54:11 AM

Surveyor: THOMAS BOWDEN

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 34.670556 deg. N Longitude: 104.778889 deg. W

Azimuth Correction:

Gyro: Bearings are Relative to True North

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: PATRIOT 1, EDDY COUNTY, NEW MEXICO

Lease: JUKE BOX 1921-10 Well: FEDERAL #1-Y, 4-1/2" DRILLPIPE

Job Number: MD1106G_309

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.00	0.00	0.0 0.0	0.00 N 0.00 E
0 TO 7545" FT. RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2" DRILLPIPE ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO PATRIOT #1 R.K.B.						
100.00	0.24	4.01	0.24	100.00	0.2 4.0	0.21 N 0.01 E
200.00	0.29	308.43	0.25	200.00	0.6 343.5	0.58 N 0.17 W
300.00	0.29	308.38	0.00	300.00	1.1 327.5	0.89 N 0.57 W
400.00	0.62	272.33	0.42	399.99	1.7 309.4	1.08 N 1.31 W
500.00	0.66	262.35	0.12	499.99	2.6 292.9	1.02 N 2.41 W
600.00	0.68	295.71	0.38	599.98	3.7 288.8	1.20 N 3.52 W
700.00	0.26	125.42	0.94	699.98	4.1 288.9	1.33 N 3.87 W
820.40	0.83	115.28	0.48	820.37	3.0 285.6	0.80 N 2.86 W
915.68	1.13	111.37	0.32	915.64	1.4 276.7	0.16 N 1.36 W
1010.96	1.40	84.48	0.68	1010.90	0.7 95.9	0.07 S 0.68 E
1106.24	1.57	104.16	0.56	1106.15	3.1 95.1	0.28 S 3.11 E
1201.52	1.50	107.22	0.11	1201.39	5.7 99.9	0.97 S 5.57 E
1296.80	1.73	102.42	0.28	1296.63	8.3 101.4	1.65 S 8.16 E
1392.08	1.00	87.61	0.84	1391.89	10.6 100.5	1.92 S 10.40 E
1487.36	0.84	87.66	0.17	1487.15	12.1 98.8	1.86 S 11.93 E
1582.64	0.42	64.03	0.51	1582.43	13.0 97.4	1.67 S 12.94 E
1677.92	0.38	351.86	0.50	1677.71	13.3 95.2	1.20 S 13.21 E
1773.20	0.60	337.65	0.26	1772.98	13.0 91.9	0.43 S 12.97 E
1868.48	0.76	320.79	0.27	1868.26	12.4 87.6	0.52 N 12.39 E

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: PATRIOT 1, EDDY COUNTY, NEW MEXICO

Lease: JUKE BOX 1921-10 Well: FEDERAL #1-Y, 4-1/2" DRILLPIPE

Job Number: MD1106G_309

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DI ST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
1963.76	0.87	317.82	0.13	1963.53	11.6 82.3	1.54 N 11.50 E
2059.04	1.05	305.25	0.29	2058.79	10.6 75.9	2.59 N 10.30 E
2154.32	1.30	304.18	0.26	2154.05	9.4 67.0	3.70 N 8.69 E
2249.60	0.96	301.25	0.36	2249.31	8.5 56.5	4.71 N 7.12 E
2344.88	0.87	305.67	0.11	2344.58	8.1 46.5	5.55 N 5.85 E
2440.16	0.78	309.16	0.11	2439.85	8.0 36.7	6.38 N 4.76 E
2535.44	0.64	311.76	0.15	2535.13	8.1 28.4	7.14 N 3.87 E
2630.72	0.57	318.67	0.10	2630.40	8.5 21.9	7.85 N 3.16 E
2726.00	0.49	313.89	0.09	2725.68	8.9 16.7	8.49 N 2.55 E
2821.28	0.36	306.00	0.15	2820.95	9.2 12.7	8.95 N 2.01 E
2916.56	0.58	277.76	0.33	2916.23	9.3 8.0	9.19 N 1.29 E
3011.84	0.67	266.57	0.16	3011.50	9.2 1.6	9.22 N 0.25 E
3107.12	0.67	272.05	0.07	3106.78	9.3 354.6	9.21 N 0.87 W
3202.40	0.67	299.08	0.33	3202.05	9.7 348.6	9.50 N 1.91 W
3297.68	0.54	331.01	0.37	3297.33	10.5 345.6	10.17 N 2.62 W
3392.96	0.70	348.51	0.26	3392.60	11.5 345.1	11.13 N 2.95 W
3488.24	1.38	349.27	0.71	3487.86	13.2 345.7	12.83 N 3.28 W
3583.52	4.96	352.50	3.76	3582.98	18.5 347.4	18.04 N 4.03 W
3678.80	7.51	2.45	2.90	3677.70	28.7 351.4	28.34 N 4.30 W
3774.08	8.30	3.47	0.84	3772.07	41.6 355.0	41.43 N 3.62 W
3869.36	8.35	4.48	0.16	3866.34	55.3 357.2	55.19 N 2.66 W
3964.64	9.50	0.85	1.34	3960.47	70.0 358.4	69.95 N 2.01 W
4059.92	9.32	1.18	0.20	4054.47	85.5 358.8	85.52 N 1.73 W

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: PATRIOT 1, EDDY COUNTY, NEW MEXICO

Lease: JUKE BOX 1921-10 Well: FEDERAL #1-Y, 4-1/2" DRILLPIPE

Job Number: MD1106G_309

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
4155.20	8.51	0.52	0.86	4148.60	100.3 359.1	100.27 N 1.51 W
4250.48	8.20	0.10	0.32	4242.87	114.1 359.3	114.12 N 1.43 W
4345.76	7.67	0.32	0.56	4337.23	127.3 359.4	127.27 N 1.39 W
4441.04	7.42	1.50	0.31	4431.69	139.8 359.5	139.79 N 1.19 W
4536.32	6.69	1.49	0.77	4526.25	151.5 359.7	151.48 N 0.89 W
4631.60	5.60	3.60	1.17	4620.98	161.7 359.8	161.67 N 0.45 W
4726.88	5.40	3.81	0.21	4715.82	170.8 0.0	170.78 N 0.14 E
4822.16	5.04	5.65	0.42	4810.71	179.4 0.3	179.41 N 0.85 E
4917.44	4.75	4.68	0.31	4905.64	187.5 0.5	187.51 N 1.58 E
5012.72	4.38	4.13	0.39	5000.62	195.1 0.6	195.07 N 2.17 E
5108.00	4.11	359.68	0.44	5095.63	202.1 0.7	202.11 N 2.41 E
5203.28	4.87	4.62	0.89	5190.62	209.6 0.7	209.56 N 2.72 E
5298.56	5.27	11.08	0.74	5285.53	217.9 1.0	217.89 N 3.88 E
5393.84	4.79	10.55	0.51	5380.44	226.2 1.4	226.10 N 5.45 E
5489.12	4.14	11.33	0.68	5475.43	233.5 1.7	233.38 N 6.86 E
5584.40	4.13	10.79	0.04	5570.46	240.3 2.0	240.13 N 8.18 E
5679.68	3.93	9.46	0.24	5665.51	246.9 2.2	246.72 N 9.36 E
5774.96	3.39	6.11	0.61	5760.59	252.9 2.3	252.74 N 10.19 E
5870.24	2.84	358.81	0.71	5855.73	258.1 2.3	257.91 N 10.44 E
5965.52	2.08	8.39	0.91	5950.92	262.2 2.3	261.98 N 10.65 E
6060.80	1.68	5.72	0.42	6046.15	265.3 2.4	265.08 N 11.04 E
6156.08	1.67	7.74	0.06	6141.39	268.1 2.4	267.84 N 11.36 E
6251.36	1.64	15.34	0.23	6236.63	270.8 2.5	270.53 N 11.91 E

A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: PATRIOT 1, EDDY COUNTY, NEW MEXICO

Lease: JUKE BOX 1921-10 Well: FEDERAL #1-Y, 4-1/2" DRILLPIPE

Job Number: MD1106G_309

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
6346.64	1.43	6.04	0.34	6331.88	273.3 2.6	273.02 N 12.39 E
6441.92	1.07	0.34	0.40	6427.14	275.4 2.6	275.09 N 12.53 E
6537.20	1.01	355.74	0.11	6522.40	277.1 2.6	276.82 N 12.47 E
6632.48	1.12	351.29	0.15	6617.66	278.9 2.5	278.58 N 12.26 E
6727.76	0.97	345.17	0.20	6712.93	280.5 2.4	280.29 N 11.92 E
6823.04	1.02	329.98	0.28	6808.19	282.0 2.3	281.80 N 11.29 E
6918.32	1.07	328.36	0.06	6903.46	283.5 2.1	283.29 N 10.39 E
7013.60	1.28	340.29	0.34	6998.72	285.2 1.9	285.05 N 9.57 E
7108.88	1.35	337.86	0.09	7093.97	287.2 1.8	287.10 N 8.78 E
7204.16	1.60	336.75	0.26	7189.22	289.5 1.6	289.36 N 7.84 E
7299.44	1.70	348.97	0.38	7284.46	292.0 1.4	291.96 N 7.04 E
7394.72	2.87	15.08	1.61	7379.67	295.7 1.4	295.65 N 7.39 E
7490.00	3.53	354.97	1.35	7474.80	301.0 1.5	300.87 N 7.76 E
7521.00	3.90	347.40	1.99	7505.74	302.9 1.4	302.85 N 7.44 E
7545.00	4.34	342.75	2.30	7529.67	304.6 1.3	304.51 N 7.00 E

Final Station Closure: Distance: 304.59 ft Az: 1.32 deg.

COMPANY: Parallel Petroleum Corporation

WELL: Juke Box 1921-10 Federal #1-Y

FIELD: Wildcat (Wolfcamp Gas)

COUNTY: Eddy

STATE: New Mexico

Schlumberger

Platform Express

Three Detector Litho Density

Compensated Neutron/HNGS

460' FSL & 760' FEL

Elev.: K.B. 4336 ft

G.L. 4324 ft

D.F. 4335 ft

Permanent Datum: Ground Level

Elev.: _____

Log Measured From: Kelly Bushing

above Perm. Datum

Drilling Measured From: Kelly Bushing

API Serial No.
30-015-35026SECTION
10TOWNSHIP
19SRANGE
21E

Logging Date	11-Nov-2006		
Run Number	One		
Depth Driller	7560 ft		
Schlumberger Depth	7560 ft		
Bottom Log Interval	7557 ft		
Top Log Interval	200 ft		
Casing Driller Size @ Depth	9.625 in	@ 1515 ft	@
Casing Schlumberger	1512 ft		
Bit Size	8.750 in		
Type Fluid In Hole	Cut Brine/Starch/Optizan		
Density	Viscosity	9.4 lbm/gal	50 s
Fluid Loss	PH	9.2 cm3	10.5
Source Of Sample	Circulation Tank		
RM @ Measured Temperature	0.082 ohm.m	@ 86 degF	@
RMF @ Measured Temperature	0.086 ohm.m	@ 68 degF	@
RMC @ Measured Temperature	@		@
Source RMF	RMC	Measured	
RM @ MRT	RMF @ MRT	0.054 @ 134	0.046 @ 134 @ @
Maximum Recorded Temperatures	134 degF		
Circulation Stopped	Time	11-Nov-2006	7:00
Logger On Bottom	Time	11-Nov-2006	17:30
Unit Number	Location	2323	Roswell, N.M.
Recorded By	Joseph Lightner		
Witnessed By	Mike Moylett		