| Submit 3 Copies To Appropriate District Office State of New Mexico | Form C-103 | | | |
|--|---|--|--|--|
| District I Energy, Minerals and Natural Resource | es May 27, 2004 | | | |
| 1625 N. French Dr., Hobbs, NM 88240 | WELL API NO. | | | |
| District II 1301 W. Grand Ave., Artesia, NM 88210 OIL CONSERVATION DIVISION | 30-015-35561 | | | |
| District III 1220 South St. Francis Dr. | 5. Indicate Type of Lease | | | |
| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV Santa Fe, NM 87505 | STATE X FEE | | | |
| District 17 | 6. State Oil & Gas Lease No. | | | |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | | | | |
| SUNDRY NOTICES AND REPORTS ON WELLS | 7. Lease Name or Unit Agreement Name | | | |
| (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 | Hope Unit 1821-16 State | | | |
| PROPOSALS.) 1. Type of Well: Oil Well Gas Well X Other G | 8. Well Number 1 Y | | | |
| | 9. OGRID Number 230387 | | | |
| 2. Name of Operator Parallel Petroleum Corporation | 9. OGRID Number 230387 | | | |
| - | | | | |
| 3. Address of Operator | 10. Pool name or Wildcat | | | |
| 1004 N. Big Spring St., Suite 400, Midland, Texas 79701 | 97489, Wildcat; Wolfcamp | | | |
| 4. Well Location | | | | |
| Unit Letter P: 760 feet from the South line ar | nd 200 feet from the East line | | | |
| Section 16 Township 18S Range 21E | | | | |
| 11. Elevation (Show whether DR, RKB, RT, G | | | | |
| 4223 GR | n, etc.) | | | |
| Pit or Below-grade Tank Application or Closure | | | | |
| | Distance from nearest surface water | | | |
| - | | | | |
| Pit Liner Thickness: mil Below-Grade Tank: Volume b | ols; Construction Material | | | |
| 12. Check Appropriate Box to Indicate Nature of N | otice, Report or Other Data | | | |
| | | | | |
| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: | | | |
| PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL | <u> </u> | | | |
| TEMPORARILY ABANDON | CE DRILLING OPNS. □ P AND A X | | | |
| PULL OR ALTER CASING MULTIPLE COMPL CASING/C | EMENT JOB X | | | |
| | - | | | |
| OTHER: OTHER: | | | | |
| 13. Describe proposed or completed operations. (Clearly state all pertinent det | | | | |
| of starting any proposed work). SEE RULE 1103. For Multiple Completic or recompletion. | ons: Attach wellbore diagram of proposed completion | | | |
| 4-19-07 Set 16" conductor @ 50' with rathole unit | | | | |
| 4-28-07 MIRU drilling rig, Spud @ 2115 HRS | | | | |
| 5-3-07 Run 8.625" SURF CSG, 11" hole, 24# set @ 1518'. CMT W/ Lead #1 360 | sx H+ 10% A 10+ 10# I CM-1+ 1/4# CF+ 2% CaCl2 | | | |
| 14.6 ppg, 1.52 yield. Lead #2 600 sx 50:50:10 C+ 5# LCM-1+ 2% CaCl2+ | | | | |
| Tail 200 sx C+ 2% CaCl2+ ¼# CF, 14.8 ppg, 1.34 yield, 5 centralizers | | | | |
| TOC: 1300' by Temp. Surv. (attached), Top out to surface with 1" | | | | |
| 5-6-07 Run Apollo Perforators cement bond log (attached), Insufficient CMT from | 1 872' to 990' | | | |
| 5-7-07 Shoot 4 squeeze perforations @ 950'. Set squeeze packer @ 857'. | | | | |
| 5-9-07 Pumped a total of 1096 sx H+ 1% CaCl2 and C+ 5% CaCl2 in 10 squeeze stages over 2 days waiting on CMT a minimum of 2 | | | | |
| HRS between stages and attempting to to pressure test after each squeeze stage. Last stage pressured to 2000 psi and bled to | | | | |
| 1000 psi in 45 minutes. Unseat packer and clean hole to float collar. | | | | |
| 5-10-07 Pumped 50 sx C neat, 14.8 ppg, 1.32 yield and held 500 psi for 1 hour. Clean well out to float collar. Attempt pressure test and | | | | |
| BOP is leaking. | | | | |
| 5-11-07 Retest BOP to 2000 psi. Test casing to 1000 psi for 30 minutes. No leak-off. | | | | |
| 5-11-07 1245 HRS drill ahead in 7.875" hole from 1518'. | | | | |
| | | | | |
| | | | | |
| 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 NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan []. | | | | |
| SIGNATURE Clark Curam TITLE Engineer | | | | |
| SIGNATURE CLIMA TITLE Engineer | DATE May 17, 2007 | | | |
| Type or print name Deane Durham E-mail address: ddurham@plll. | | | | |
| TABLE OF DESIGNATION PARTICIPATION OF THE PROPERTY OF THE PROP | Tolenhone No. (422) 594 2707 | | | |
| For State Use Only | • | | | |
| For State Use Only | com Telephone No. (432) 684-3727 | | | |
| 71 1 | | | | |

Keltic Services, Inc

Box 1857 Artesia, NM 88211

505 748 3759

Temperature Survey

| Company | PARALLEL PETRO COPR. | Date | 05/03/07 |
|---------------|-------------------------|--|-------------------------------|
| Well | HOPE UNIT 1821-16 ST #1 | Time Plug Down Time Start Survey Time End Survey | 200 hrs 600 hrs 700 hrs |
| Casing String | Intermediate | Depth Reached | 1450 ft |

Cement Top

1300 ft.

Gauge

205

Operator:

Julian

Witness: RICK POINDEXTER

Keltic Services Inc Tempreature Survey

Company PARALLEL PETRO COPR. Well HOPE UNIT 1821-16 ST #1¥

Cement Top 1300 ft

| Depth | Temp. | Comments |
|-------|-------------|----------|
| ft | °F | |
| 20 | 71.0 | |
| 100 | 72.2 | |
| 200 | 73.4 | |
| 300 | 74.6 | |
| 400 | 75.1 | |
| 500 | 75.7 | |
| 600 | 75.8 | |
| 700 | 76.2 | |
| 800 | 76.5 | |
| 900 | 76.8 | |
| 1000 | 77.0 | |
| 1100 | 77.5 | |
| 1200 | 77.8 | |
| 1300 | 78.2 | CT |
| 1400 | 81.8 | |
| 1450 | 83.5 | |

Date 5/3/07
Plug Down 200 hrs
Survey Start 600 hrs
Operator Julian

