

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOC District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator **Parallel Petroleum Corporation** Telephone: **432-684-3905** e-mail address: **ddurham@ppll.com**
Address **1004 N. Big Spring Street, Suite 400, Midland, Texas 79701**
Facility or well name **War Cloud State Com 1425-36 State Com #3Y** API # **30-005-63944** U/L or Qtr/Qtr **II** Sec **36** T **14S** R **25E**
County: **Chaves** Latitude **33° 03' 41.03" N** Longitude **104° 23' 16.64" W** NAD 1927 X 1983 ☐
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/> Pit Volume 25,000 bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 120'	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 0 100 feet or more (0 points)
Wellhead protection area, (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points) 0
Distance to surface water (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) 0
Ranking Score (Total Points) 0	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location. (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results (5) Attach soil sample results and a diagram of sample locations and excavations _____

Additional Comments
Pit closed by trench burial on 11-20-07, verbal by Mike Bratcher
Sampling found elevated chlorides in NI, SE and Center sections, excavated all three to 15', lined center section exaction with plastic and placed soil from the three areas
Into center section for second burial trench. Capped trench and backfilled pit.
Field sample and lab results attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOC District guidelines ☒, a general permit ☐, or an (attached) alternative OGD-approved plan ☐.

Date **11-26-2007**

Printed Name/Title **Gary Miller, Agent**

Signature 

Your certification and NMOC District approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval

Printed Name/Title _____

Signature

Signed By 

Date

NOV 26 2007

Summary Report

Gary Miller
Highlander Environmental Services
1910 N. Big Spring Street
Midland, TX, 79705

Report Date: November 21, 2007

Work Order: 7111926



Project Location: Chaves County, NM
Project Name: Parallel/War Cloud 1425-36 State Com #3
Project Number: 2982

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
143351	NE-20'	soil	2007-11-14	00:00	2007-11-19
143352	NW-2'	soil	2007-11-14	00:00	2007-11-19
143353	SE-15'	soil	2007-11-14	00:00	2007-11-19
143354	SW-2'	soil	2007-11-14	00:00	2007-11-19
143355	Center-15'	soil	2007-11-14	00:00	2007-11-19

Sample: 143351 - NE-20'

Param	Flag	Result	Units	RL
Chloride		316	mg/Kg	2.00

Sample: 143352 - NW-2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 143353 - SE-15'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 143354 - SW-2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 143355 - Center-15'

TraceAnalysis, Inc. • 6701 Aberdeen Ave., Suite 9 • Lubbock, TX 79424-1515 • (806) 794-1296
This is only a summary. Please, refer to the complete report package for quality control data.

Report Date: November 21, 2007
2982

Work Order: 7111926
Parallel/Wai Cloud 1425-36 State Com #3

Page Number: 2 of 2
Chaves County, NM

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Highlander Environmental Corp. Pit Closure Sampling Report

Job Number:

Client:

Well Name

API#

Depth of Pit

Depth to

Groundwater

2982
Parcel Petroleum Corp
was Cloud State Com. 1425-36#3Y
30-005-63926 944
8
120' Orientation of pit (N) S E W 11-15-2007

All pit sample depths are below pit bottom (BPB)

Sample Location	Depth (BPB)	Field Chloride Results (mg/Kg)	Lab Chloride Results (mg/Kg)
NE	2	2400	
	5	1200	
	10	1520	
	15	450	
	20	390	316
NW	2	240	<100
SE	2	1040	
	5	400	
	10	480	
	15	240	
SW	2	240	<100
Center	2	4160	
	5	2880	
	10	2120	
	15	200	<100
Background	2	4160 80	
10' East of pit	6	180	
	10	100	
	16	180	

DNR- Did not run at lab.

BGS- Below Ground Surface

BPB- Below Pit Bottom

Dig out Center Section & make New Borehole
Trench, Take NE, SE & Center to 15'
Mile Bratcher 11-20-07

Highlander Environmental Corp.
Pit Sample Location Plat

Pit wall in feet _____


Pit wall in feet _____

x NW x NE x

x Center x

x SW x SE x

x _____ Indicates Sample Location
(Name by quarter i.e. NW, NE etc)

 Draw in North Arrow

Depth of pit in feet _____

• Wellhead

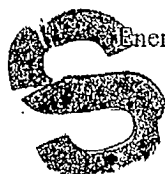
Well Pad

Client: Paradise Petroleum Corp

Well Name: Well: Cloud State Com. 1425'-36#3Y

API# 30-005-63~~476~~944

LSH11GLJ
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OCT 01 2007

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OCD-ARTESIA

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(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:
The fluids in the reserve pit will be allowed to dry or taken to disposal or used at another Parallel Petroleum Corp. drilling well in the area. The drill cuttings and plastic will be placed in a plastic lined burial trench located next to the reserve pit. The trench will then be covered with plastic and backfilled with a minimum of 3' of soil. The reserve pit area will then be backfilled and re-contoured and seeded to BLM specifications.
20 mil
See Attached Stipulations

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the _____ described 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 ☐.

Date: 9-27-2007

Printed Name/Title **Gary Miller, Agent**

Signature

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval

Gerry Guye

Printed Name/Title

Compliance Officer

Signature

Date

OCT 9 2007

Stipulations for closing
Of Pit

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back filling. Notify NMOCD 24 hours prior to obtaining samples.

If burial trench is to be constructed in the pit area, samples are to be obtained from that area and analyses submitted to NMOCD prior to lining the pit, but after contaminated soils have been excavated from trench area.

Notify NMOCD 24 hours prior to beginning closure.

DATA INDICATES THIS AREA TO BE WATER SENSITIVE. As a condition of approval, if during pit construction, water is encountered or if water seeps into pits after construction the **OCD MUST BE CONTACTED IMMEDIATELY**

If pit is situated in an agricultural area pit contents must be hauled to an NMOCD approved disposal area.

Pits must be closed within 6 months of the date production casing is set.