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

State of New Mexico Energy Minerals and Natural Resources

For drilling and production facilities, submit to appropriate NMOCD District Office.

Form C-144

June 1, 2004

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

For downstream facilities, submit to Santa Fe

Pit	or Below-Grade Tank Registration or	Closure
	it or below-grade tank covered by a "general plan"? Ye	

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

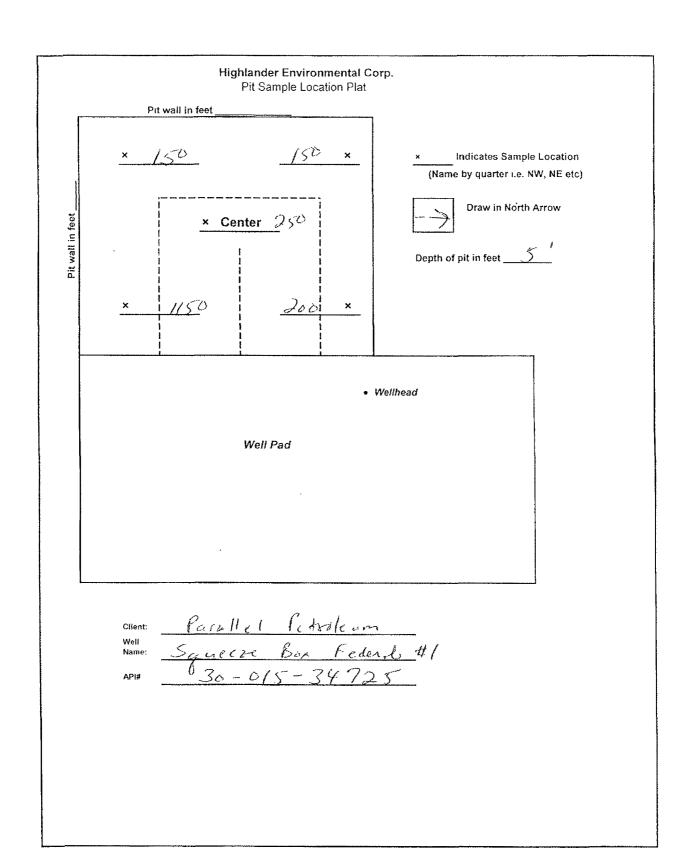
Operator: Parallel Petroleum Corporation Telephone 432-684-3905 e-mail address: gmiller@hec-enviro.com Address: 1004 N. Big Spring Street, Suite 400, Midland, Texas 79701 Facility or well name: Squeeze Box Federal #1 AP1#: 30-015-34725 U/L or Qtr/Qtr Unit P Sec 12 T 19S R 21E Latitude 32° 40' 4.6" N 104° 44' 8.9" W NAD: 1927 X 1983 [] County Eddy Longitude Surface Owner, Federal X State Private Indian Pit Below-grade tank Type Drilling X Production Disposal Volume: ____ __bbl Type of fluid. ___ Construction material. Lined X Unlined [Double-walled, with leak detection? Yes If not, explain why not Lines type Synthetic X Thickness 12 mil Clay Pit Volume 25,000 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 50 feet or more, but less than 100 feet a (10 points) high water elevation of ground water) 750' 100 feet or more (0 points) Yes (20 points) Wellhead protection area. (Less than 200 feet from a private domestic No 0 (0 points) water source, or less than 1000 feet from all other water sources) Less than 200 feet (20 points) Distance to surface water (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) Ð irrigation canals, ditches, and perennial and ephemeial watercourses.) 1000 feet or more (0 points) Ranking Score (Total Points) 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 your 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 (5) Attach soil sample results and a diagram of sample locations and excavations Additional Comments Pri closed on 2-22-2008-by trench burial on the verbal approval by Mr. Mike Bratcher, NMOCD Artesia NM office All material with chloride above 250 mg/kg was removed from the pit area except for the SF corner where lab test indicated a level of 1530 mg/kg. This area was solid rock And could not be excavated. Lab results are attached Thereby 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 NMOCD guidelines X, a general permit , or an (attached) alternative OCD-approved plan ... Date: 2-28-08 Printed Name/Title Gary Miller, Agent Phone 432/682/4559 Signature ___ Your certification and NMOCD approval of this application/closure does not relieve the operator of hisbility 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 regionsibility for compliance with any other federal, state, or local laws and/or regulations FEB 2 9 2008 Accepted for record NMOCD

Highlander Environmental Corp. Pit Closure Sampling Report

Job Number:						
Client:	Parallel Petroleun Capp					
Well Name	Surecto Box Pederal #1					
API#	30-0) (
Depth of Pit	5,	1 / 6	7			
Depth to			An-			
Groundwater	750'	Orientation of	pit N S E (W)		
All pit sa	ample depths are below pit bo	ottom (BPB)		1		
22-08,	Sample Location	Depth (BPB)	Results (mg/kg)	Lab Chloride Results (mg/Kg)		
5 2	NE	2	200	344		
3 0						
, 1						
Sintelling Pit. 2	NW	2	150	136		
, J						
<i>t</i>						
5 to h:11	SE	1 2	1150	1530		
		•				
v = rocky						
7.7. 3. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5.						
5 3	ن.5 دن	12	150	<100		
Mite.						
7 9						
3 t 2 d	Center		250	< 100		
3 4						
7 5						
Chal Hod						
20						
				 		
				 		
			 			

DNR- Did not run at lab. BGS- Below Ground Surface

BPB- Below Pit Bottom



Work Order: 8022529 Parallel/Squeeze Box Fed. #1 Page Number: 1 of 2 Eddy County, NM

Summary Report

Gary Miller

Highlander Environmental Services

1910 N. Big Spring Street Midland, TX, 79705

Report Date: February 27, 2008

Work Order: 8022529

Project Location: Eddy County, NM

Project Name. Parallel/Squeeze Box Fed. #1

Project Number: 2496

			Date	Time	Date
Sample	Description	Matrix	Taken	Taken	Received
151607	NE-2'	soil	2008-02-22	00:00	2008-02-25
151608	NW-2'	soil	2008-02-22	00:00	2008-02-25
151609	SE-2'	soil	2008-02-22	00:00	2008-02-25
151610	SW-2'	soil	2008-02-22	00:00	2008-02-25
151611	'Center-2'	soil	2008-02-22	00:00	2008-02-25

Sample: 151607 - NE-2'

Param	Flag	Result.	Units	RI,
Chloride		344	mg/Kg	2.00

Sample: 151608 - NW-2'

Param	Flag	Result	Units	RL
Chloride		186	mg/Kg	2.00

Sample: 151609 - SE-2'

Param	Flag	Result	Units	RL
Chloride		1530	mg/Kg	2.00

Sample: 151610 - SW-2'

	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 151611 - Center-2'

Report Date: February 27, 2008

Work Order, 8022529 Parallel/Squeeze Box Fed. #1 Page Number: 2 of 2 Eddy County, NM

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