

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 NMOCD District Office.
 For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Amended Copy

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

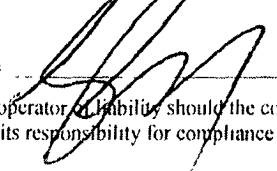
Operator **Parallel Petroleum Corporation** Telephone **432-684-3905** e-mail address: **ddurham@plll.com**
 Address **1004 N. Big Spring Street, Suite 400, Midland, Texas 79701**
 Facility or well name **Paris Draw 1624-21 StateCom #7 & Paris Draw State Unit 1624-20#8 Dual location API #. 3001535856 & 3001535857 U/L A Sec 20, T 16S R 24E**
 County: **Eddy** Latitude **32°54'47.48"N** Longitude **104°36'10.14" W** NAD 1927 X 1983
 Surface Owner Federal State Private Indian

Pit 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		Below-grade tank 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.) 250'	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 **This is a dual well location.**
 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.

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 NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 5-28-08
 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: _____
 Printed Name/Title _____ Signature **Signed By Mike Benavidez** **MAY 29 2008**

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

If burial trench is to be constructed in pit area, samples are to be obtained and analyses submitted to OCD PRIOR to lining trench.