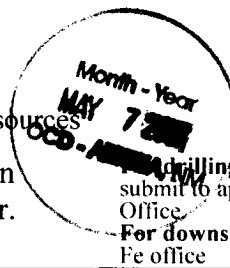


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Soil Conservation Division  
220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-144  
June 1, 2004

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**

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@parallel-petro.com**  
Address: **1004 N. Big Spring Street, Suite 400, Midland, Texas 79701**  
Facility or well name: **War Cloud State Com 1525-32 #1** API #: **30-005-63881** U/L or Qtr/Qtr **P** Sec **36** T **14S** R **25E**  
County: **Chaves** Latitude **33° 3' 14.75"N** Longitude **104°23' 16.11"W** NAD: 1927 X 1983 ☐  
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

**Pit**

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness **12** mil Clay ☐

Pit Volume **25,000** bbl

**Below-grade tank**

Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_

Construction material: \_\_\_\_\_

Double-walled, with leak detection? Yes ☐ 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

50 feet or more, but less than 100 feet

100 feet or more

(20 points)

(10 points)

( 0 points) **0**

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

No

(20 points)

( 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

200 feet or more, but less than 1000 feet

1000 feet or more

(20 points)

(10 points)

( 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:

**The drilling pit for this site will be closed as per the attached Pit Closure Plan and reopened as a fresh water frac pit. A C-144 for the frac pit is 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 NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: **5-5-07**

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 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: \_\_\_\_\_

Signature/Title \_\_\_\_\_

Notify OCD 24 hours prior to beginning pit closure

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back-filling

Date: **5/10/07**

## Pit Closure Plan – Drilling Pit

**Operator:** Parallel Petroleum Corporation

**Well Name:** War Cloud State Com 1425-32 #1, API # 30-005-63881

**Location:** Unit P Section 36, Township 14 S, Range 25 E, Chaves County, NM

1. Any remaining liquids will be removed from the pit.
2. Remaining solid wastes (i.e. buckets, cans, miscellaneous trash, debris, contaminated solids, etc.) will be removed from the pit, except for dried mud and cuttings, cement, and frac materials in drilling and reserve pits which have been approved by the OCD for encapsulation.
3. **This well did not penetrate a salt section and was drilled with less than 9.5 lb/gal brine. Therefore, the drilling pit will be closed by encapsulation:**

~~It is proposed to bury the drill cutting in place and not remove or trench the cutting if it can be done so that a minimum of 3' of fill can be placed over the material. A 20 mil liner will be placed over the drill cutting before the area is backfilled.~~

*me*

If this method can not be used, trench burial will be utilized for burial and capping of the drilling mud and cuttings. Up to two trenches (approximately 5 feet wide x 10 feet deep x 125 feet length) will be dug next to the pit and the cuttings buried and capped. The trenching and capping will be accomplished by lining the trench with an impervious, reinforced, synthetic or fabricated liner at least 12 mils in thickness; mixing earthen materials with the pit contents, as necessary to stiffen the pit contents sufficiently to provide stability and support for the trench cap; emplacing the stiffened mud and cuttings into the lined trench; capping the trench with a 20 mil minimum thickness impervious, fiber reinforced, synthetic or fabricated liner (the synthetic liner will overlap the trench area by at least 3 feet in all directions); and covering the trench with a minimum of 3 feet of clean soil that is capable of supporting native plant growth.

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

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Operator: **Parallel Petroleum Corporation** Telephone: **432-684-3905** e-mail address: **ddurham@parallel-petro.com**  
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**Pit**

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Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness **12** mil Clay ☐

Pit Volume **25,000** bbl

**Below-grade tank**

Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_

Construction material: \_\_\_\_\_

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(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

( 0 points) **0**

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(20 points)

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( 0 points) **0**

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200 feet or more, but less than 1000 feet

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1000 feet or more

( 0 points) **0**

**Ranking Score (Total Points)**

**0**

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Additional Comments:

**This pit will be used as a fresh water storage or frac pit only. This pit will not be used to flow back the well.**

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: **5-5-07**

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 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 **District II Supervisor**

Signature \_\_\_\_\_

Date: **5/10/07**