

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 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 ☐

JUL - 3 2007

Operator **Parallel Petroleum Corporation** Telephone: **432-684-3905** e-mail address: **ddurham@parallelpetroleum.com**
Address **1004 N. Big Spring Street, Suite 400, Midland, Texas 79701**
Facility or well name: **Seabiscuit #1** API # **3000561867** U/L or Qtr/Qtr **G** Sec **33** T **14S** R **26E**
County: **Chaves** Latitude **32° 03' 40.2" N** Longitude **104° 20' 30.5" 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 5500 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.) 38'	Less than 50 feet (20 points) 20 50 feet or more, but less than 100 feet (10 points) 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) 20 No (0 points)
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) 10 1000 feet or more (0 points)
Ranking Score (Total Points) 50	

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WWW.NMOC.D

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 pit was used for fresh water storage only. No produced water, oil or completion fluids were placed into the pit. The pit plastic will be removed and the walls pushed in for backfill, not testing is planned.
closed 12-11-06 in place G. Miller

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 X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date **5-17-06**

Printed Name/Title **Gray E. Miller - Agent** Signature **[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 **[Signature]** Date: _____

MAY 23 2006



Highlander Environmental Corp.

Midland, Texas

JUL - 3 2007
OCD-ARTESIA

June 28, 2007

Mr. Mike Bratcher
State Of New Mexico,
Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 88210

Re: Parallel Petroleum Corporation, Pit Closures
Eddy and Chaves Counties, New Mexico

The attached are copies of the approved C-144 pit closures for several wells drilled by Parallel Petroleum Corporation. These pits were closed over the course of the past 6 months. The contractor, Sweat Construction performed all of the closures and in conversation with you last month I found that while they had contracted your office that they were closing the sites, no paper work had been forwarded to you. On the attached C-144's I have noted the date of the closure and if the pit contents were taken to disposal or trench buried. This should catch us up on paperwork for the pits that have been closed to date.

Should you need additional information regarding this issue, please contact me at 432-682-4559 or my email address at gmliller@hec-enviro.com.

Sincerely,

Gary Miller, Agent
Highlander Environmental Corp.