

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 ☒

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: **Swale 1525-16 State #2** API #: **30-005-63924** U/L or Qtr/Qu: **M** Sec: **16** T: **15S** R: **25E**  
County: **Chaves** Latitude: **33.00980 N** Longitude: **104.45562 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 <b>12</b> mil Clay <input type="checkbox"/> Pit Volume <b>25,000</b> 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) <b>65'</b>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <b>10</b> 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) <b>0</b>
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) <b>0</b>
	<b>Ranking Score (Total Points) 10</b>

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 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 OC D-approved plan ☐.

Date: 12-20-2007

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:

Printed Name/Title:

SEE ATTACHED  
STIPULATIONS

Signature:

Signed By:  Date: **JAN 09 2008**

***Stipulations for approval of drilling pit closure:***

***Notify OCD 24 hours prior to commencement of closure activities.***

***Notify OCD 24 hours prior to obtaining samples where analyses of samples obtained are to be submitted to OCD.***

***Samples are to be obtained from drilling pit area, and analyses submitted to OCD prior to backfilling pit area.***

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

***Bottom of burial trench excavation must remain 50' above highest seasonal depth ground water may be encountered.***

***In the event a pit is situated in an irrigated crop field, pit contents must be hauled to an OCD approved disposal***