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

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

For drilling and production facilities, submit to appropriate NMOCD District For downstream facilities, submit to Santa

Form C-144

June 1, 2004

Fe office

## Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No X Type of action: Registration of a pit or below-grade tank X Closure of a pit or below-grade tank 432-684-3905 Operator: Parallel Petroleum Corporation Telephone: e-mail address: ddurham@parallel-petro.com Address: 1004 N. Big Spring Street, Suite 400, Midland, Texas 79701 Facility or well name: Match Box Federal 19 21-1 #1 API#: 3001534640 U/L or Otr/Otr O Sec 1 T 19S R 21E Latitude 32° 41' 01.27" N Longitude 104° 44' 40.88" W NAD: 1927 X 1983 County: Eddy Surface Owner: Federal X State Private Indian Below-grade tank Type: Drilling X Production Disposal D bbl Type of fluid: Construction material: RECEIVED Lined X Unlined Double-walled, with leak detection? Yes If not, explain why not. MAY 2 3 2006 Liner type: Synthetic X Thickness 12 mil Clay **UUS PATESIA** Pit Volume 10,000 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 O (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 ( 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) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more ( 0 points) n 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 \_\_\_\_\_. (3) Attach a general description of remedial action taken including your are burying in place) onsiteX offsite If offsite, name of facility\_\_\_\_ remediation start date and end date. (4) Groundwater encountered: No X Yes I 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. 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 🗀.

Approval:

regulations.

Date: 5-17-06 Printed Name/Title

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 the responsibility for compliance with any other federal, state, or local laws and/or

Dat MAY 2 3 2006

## Pit Closure Plan – Drilling Pit

Operator: Parallel Petroleum Corporation

Well Name: Match Box Federal 19 21 #1, API # 30-015-34640

Location: Unit O, Section 1, Township 19 S, Range 23 E, Eddy 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:

Trench burial and capping will be performed for 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.

4. Since this is a federal well, the Bureau of Land Management (BLM) will be contacted for site reclamation requirements.

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