waDistrict I 1625 N. I rench Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 District III 1600 Rto Brazos Road, Aztec, NM 87410 <u>District IV</u> 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 Office.
For downstream facilities, submit to Santa Fe office

Γorm C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \text{No} \subseteq Type of action: Registration of a pit or below-grade tank \(\subseteq \text{Closure of a pit or below-grade tank} \)

Operator Parallel Petroleum Corporation Telephone Address 1004 N. Big Spring Street, Suite 400, Midland, Texas 797	432-684-3905 e-mail address: ddu	rham@pHt.com
Facility or well name Swale 1525-16 State #2 API #. 30-005-63924		Г 15S - R - 25E
,	3.00980 N Longitude 104.45562 W	NAD: 1927 X 1983 🗍
Surface Owner, Federal State Private Indian		
<u>Pit</u>	Below-grade tank	***************************************
Type Drilling Production Disposal	Volume bbl Type of fluid:	
Workover I:mergency	Construction material	CONTRACTOR OF THE CONTRACTOR O
Lined Unlined	Double-walled, with leak detection? Yes If not,	explain why not
Liner type. Synthetic M Thickness 12 mil Clay		
Pit Volume 25,000 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	(10 points) 10
high water elevation of ground water.) 65°	100 feet or more	(0 points)
N	Yes	(20 points)
Wellhead protection area: (Less than 200 feet from a private domestic	No	(0 points) 0
water source, or less than 1000 feet from all other water sources.)		(v points)
Distance to surface water: (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
rrigation canals, ditches, and perennial and ephemeral watercourses)	200 feet or more, but less than 1000 feet	(10 points)
,	1000 feet or more	(0 points) 0
	Ranking Score (Total Points)	10
If this is a pit closure; (1) Attach a diagram of the facility showing the pit's	relationship to other equipment and tanks. (2) Indica	te disposal location. (check the onsite box if
your are burying in place) onsite \(\square\) offsite \(\square\) If offsite, name of facility		
remediation start date and end date. (4) Groundwater encountered: No 🗌 Y		
(5) Attach soil sample results and a diagram of sample locations and excavat		was a management. Und things starting s
	UIIS.	
Additional Comments		***************************************
Closure approved by Mike Bratcher on 6-24-08 by email.		
The drilling mud and as much elevated choride material as possible was rei		ral trench on the west side of the reserve pit
The east side will then be bedded with sand and capped with 20 mil plastic	and then backfilled.	
fhe field test data and lab results are attached.		
The fined and permitted fresh water frac pit will remain after closure for wa	ater storage.	
Thereby certify that the information above is true and complete to the best has been/will be constructed or closed according to NMOCD guideline		
Date: 6-28-2008	1/1	
Printed Name/Title Gary Miller, Agent	Signature	·
Your certification and NMOCD approval of this application/closure does not otherwise endanger public health or the environment. Nor does it reheve the regulations.	of relieve the operator of liability should the contents he operator of its responsibility for compliance with an	of the pit or tank contaminate ground water or ny other federal, state, or local laws and/or
	Accepted for reco	ord /mm o = 0000
Approval: Punted Name/ Fitte	NMOCD	JUL 0.1 2008
)	\$1013 2111TD	

Final Closure

Highlander Environmental Corp.

	Pit Closure Sampling Report	
Job Number:	2/57 Date: $6-12-08$	
Client:	Parallel Petiolom	
Well Name	Swale 1525-16 #2	
API#	30-605-63924	
Depth of Pit	8'	
Depth to	Orientation of pit N S E W	
Groundwater	Burial trench location from reserve pit N S E W	

All pit sample depths are below pit bottom (BPB)					
Sample Location	Depth (BPB)	Field Chloride Results (mg/Kg)	Lab Chloride Results (mg/Kg)	Soil to be excavated	Soil to be left in-situ
NE	2	2400		Х	
	5	6150		X	
	10	5500 4200		X	
Sold Roch	15	4200	4740		
NW	2	150	271		
		77.			
5E	2	4900		<u> </u>	
		8550		X	
Z 1 10 1	10	6550 5450	2030		
30/10/Rock	15	3450	5030		
5W	2	250	480		
1					

BGS- Below Ground Surface BPB- Below Pit Bottom

	Highlander Environmental Co Pit Sample Location Plat	rp.
r	Pit wall in feet	
*	<u>* 5w</u> <u>6t x</u>	× Indicates Sample Location (Name by quarter i.e. NW, NE etc) Draw in North Arrow
Pit wall in feet	* SE Fresh water (Permitted)	Depth of pit in feet
		Velihead
	Well Pad	
	Client: Parallel Petroleum Well Name. 5 wals 1525 31-10 & API# 30-005-63924	‡2

Work Order: 8061335 Parallel-Swale 1525-16 State #2 Page Number: 1 of 2 Chavez County, NM

Summary Report

Gary Miller

Highlander Environmental Services

1910 N. Big Spring Street Midland, TX, 79705

Report Date: June 17, 2008

Work Order: 8061335

Project Location: Chavez County, NM

Project Name:

Parallel-Swale 1525-16 State #2

Project Number: 3540

			Date	Time	Date
Sample	Description	Matrix	Taken	Taken	Received
163298	NE 15'	soil	2008-06-12	00:00	2008-06-13
163299	NW 2'	soil	2008-06-12	00:00	2008-06-13
163300	SE 15'	soil	2008-06-12	00:00	2008-06-13
163301	SW 2'	soil	2008-06-12	00:00	2008-06-13

Sample: 163298 - NE 15'

Param	Flag	Result	Units	RL
Chloride		4740	mg/Kg	2.00

Sample: 163299 - NW 2'

Param	Flag	Result	Units	RL
Chloride		271	mg/Kg	2.00

Sample: 163300 - SE 15'

Param	Flag	Result	Units	RL
Chloride		5030	mg/Kg	2.00

Sample: 163301 - SW 2'

Report Date: June 17, 2008 3540

Work Order: 8061335 Parallel-Swale 1525-16 State #2 Page Number: 2 of 2 Chavez County, NM

Param	Flag	Result	Units	RL
Chloride		480	mg/Kg	2.00

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State of New Mexico Energy Minerals and Natural Resources

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

Pit or Below-Grade Tank Registration or Closure

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Torm C-144

June 1 2004

	K covered by a "general plan"? Yes [] No or below-grade tank [] Closure of a pit or below-gra	
Operator Parallel Petroleum Corporation Telephone Address 1804 N. Big Spring Street, Suite 400, Midland, Texas 79 Faculty of well name. Swale 1525-16 State #2 API #: 30-005-63924	432-684-3905 c-mail address: do 701 U/I or Qtr/Qti M Sec 16	
County Chayes Latitude :	33.00980 N l ongrude 104.45562 W	NAD: 1927 X 1983 🗌
Surface Owner Tederal 🔲 State 🗵 Private 🛄 Indian 🗀		
Pit Type Drilling Morkover Finergency	Below-grade tank Volumebbl Type of fluid. Construction material: Double-walled, with leak detection? Yes If no	ni, explain why not
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water) 65°	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) 10 (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 No	(20 points) 0
Distance to surface water (horizontal distance to all wetlands, playas, nitigation canals, ditches, and perennial and ophemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	10
If this is a pit closure: (1) Attach a diagram of the facility showing the pit your are burying in place) obsite \(\subseteq \text{ offsite} \) If offsite, name of facility remediation start date and end date (4) Groundwater encountered. No \(\subseteq \text{ (5) Attach soil sample results and a diagram of sample locations and excavate \(\frac{1}{2} \) Additional Comments.	Yes 11 yes, show depth below ground surface	description of remedial action taken including f) and attach sample results
The fluids in the reserve pit will be allowed to dry or taken to disposal or	used at another Parallel Petroleum Corp. dislling wel	Lin the area. The drill conones and plastic
will be placed in a plastic fined burial trench located next to the reserve p. The reserve pit area will then be backfilled and re-contoured		
Thereby certify that the information above is true and complete to the best has been/will be constructed or closed according to NMOCD guideling.	of of my knowledge and belief I further certify that nes ⊠, a general permit □, or an (attached) after	t the above-described pit or below-grade tank native OCD-approved plan .
Date 12-20-2007	11/2	
Printed Name/Fille Gary Miller, Agent	Signature	
Your certification and NMOCD approval of this application/closure does offictivise endanger public licalth or the environment. Nor does it relieve regulations	not relieve the operator of hability should the conter the operator of its responsibility for compliance will	nts of the pit or tank contaminate ground water or a any other federal, state or local laws and/or
Approval	Signature Signed By Mily L	/ 1881 A = 1000
Printed Name/Title	Signature Signed By Mily L	DEMOCRETARIO JAN 0 9 2008

SEE ATTACHED **STIPULATIONS**