1625 N. French Dr., Hobbs, NM 88240 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 Office. For downstream facilities, submit to Santa Fe

Form 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 ... No X Type of action: Registration of a pit or below-grade tank X Closure of a pit or below-grade tank Telephone: 432-684-3905 e-mail address: gmiller@hec-enviro.com Operator: Parallel Petroleum Corporation Address: 1004 N. Big Spring Street, Suite 400, Midland, Texas 79701 API#: 30 - C 15 - 35/44 U/L or Qtr/Qtr Unit C Sec 14 T 19S R 21E Facility or well name: Jack in the Box 1921-14 Federal #2 Longitude 104° 46' 00.42" W Latitude 32° 40' 0.41" N County: Eddy NAD: 1927 X 1983 □ Surface Owner: Federal X State Private Indian Pit Below-grade tank Type: Drilling X Production Disposal bbl Type of fluid: Volume: Construction material: Lined X Unlined Double-walled, with leak detection? Yes \(\sigma\) If not, explain why not. Liner type: Synthetic X 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) high water elevation of ground water.) 750' 100 feet or more (0 points) (20 points) Yes Wellhead protection area: (Less than 200 feet from a private domestic No (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 (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) 10 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 your 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 well shares a location pad and pit with the Parallel Petroleum Corporation, Strong Box 1921-11 Federal #1. The Strong Box 1921-11 Federal #1 has not yet been drilled. The two wells will be drilled back to back, using the same reserve pit and pad. It is planned to drill the Strong Box 1921-11 Federal #1 well first then move 18' and drill the Jack in the Box #2. 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: 7-6-2006

Sem W. Gen. Printed Nam

Printed Name/Title Gary Miller, Agent Phone 432/682/4559

Signature

Signature Your certification and NMOCD approval of this application/closure does not relieve the operator of hability 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

Date: _ 9/21/06