

Hobbs, NM 88240

Avenue, Artesia, NM 88210

Brazos Road, Aztec, NM 87410

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

Form C-144

June 1, 2004

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: **gmiller@hec-enviro.com**
Address: **1004 N. Big Spring Street, Suite 400, Midland, Texas 79701**
Facility or well name: **Ammo Box Federal #1** API #: **30-015-34958** U/L or Qtr/Qtr Unit **P** Sec **11** T **19S** R **21E**
County: **Eddy** Latitude **32° 40' 6.17" N** Longitude **104° 45' 28.73" 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 **25,000** 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.) 750'	Less than 50 feet	(20 points)	
	50 feet or more, but less than 100 feet	(10 points)	0
	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)	0
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)	0
	1000 feet or more	(0 points)	
Ranking Score (Total Points)			0

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 well will share a location pad and pit with the Parallel Petroleum Corp., Jewelry Box Federal #1. The Jewelry Box Federal 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 Jewelry Box #1 well first then move 20' and drill the Ammo Box #1. The C-102 for the Jewelry Box Federal #1 was mailed to the Artesia NMOCD office on 2-6-2006.

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 OCD-approved plan ☐.

Date: **2-6-06**

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

Date: **JUN 19 2006**

Exhibit H