District 1 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
gy Minerals and Natural Resource

Form C-144 June 1, 2004

appropriate NMOCD District Office.

For downstream facilities, submit to Santa Fe

Oil Conservation Division 220 South St. Francis Dr. Santa Fe, NM 87505

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 ☐ Closure of a pit or below-grade tank ☐

Dleum Corporation Telephone: 432-684-3905 e-mail address: gmiller@hec-

Operator: Parallel Petroleum Corporation Telephone: Address: 1004 N. Big Spring Street, Suite 400, Midland, Texas 79		iller@hec-enviro.com
Facility or well name: Toy Box 1921-22 Federal #1 API #: 30-015-35147 U/L or Qtr/Qtr F Sec 22 T 19S R 21E		
County: Eddy Latitude 32° 39' 04.62" N Longitude 104° 46' 25.63" W NAD: 1927 X 1983		
Surface Owner: Federal ⊠State ☐ Private ☐ Indian ☐		
Pit	Below-grade tank	
Type: Drilling ☑ Production ☐ Disposal ☐		
Workover ☐ Emergency ☐	Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes	
Lined X Unlined		
Liner type: Synthetic Thickness 12 mil Clay		
Pit Volume 25,000 bbl		4
Depth to ground water (vertical distance from bottom of pit to seasonal	Less than 50 feet	(20 points)
high water elevation of ground water.) 750'	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	Yes	(20 points)
, , , , , , , , , , , , , , , , , , , ,	No	(0 points) 0
water source, or less than 1000 feet from all other water sources.)		
Distance to surface water: (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
irrigation canals, ditches, and perennial and ephemeral watercourses.)	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 your are burying in place) onsite offsite offsite, name of facility		
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 \(\Bar{\Bar{\Bar{\Bar{\Bar{\Bar{\Bar{		
Date: 5-3-2007		
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 nublic 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		
Notify OCD 24 hours prior to beginning	Jane 162 St.	
Approval: pit closure.	C. S. A. Ten	2 112
Printed Name	Sim W. Stren Nishiel II Super	Date: _ 5 // 1/07

Pit Closure Plan – Drilling Pit

Operator: Parallel Petroleum Corporation

Well Name: Toy Box 1921-22 Federal #1, API # 30-015-35147

Location: Unit F, Section 22, Township 19 S, Range 21 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:

It is proposed to bury the drill cutting in place and not remove or trench the cutting if it can be done so that a minimum of 3' of fill can be placed over the material. A 20 mil liner will be placed over the drill cutting before the area is backfilled.

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If this method can not be used, trench burial will be utilized for burial and capping of 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.