

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., 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

Form C-103
May 27, 2004

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-015-33330</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Mack Energy Corporation</p>		<p>6. State Oil & Gas Lease No. NMLC-065729</p>
<p>3. Address of Operator P. O. Box 960 Artesia, NM 88211-0960</p>		<p>7. Lease Name or Unit Agreement Name Red Lake Sand Unit</p>
<p>4. Well Location Unit Letter G 2310 feet from the North line and 2310 feet from the East line Section 20 Township 17S Range 28E NMPM County Eddy</p>		<p>8. Well Number 51</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3625' GR</p>		<p>9. OGRID Number 013837</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/></p>		<p>10. Pool name or Wildcat Red Lake Shores; Grayburg</p>
<p>Pit type Drilling Depth Groundwater 180' Distance from nearest fresh water well 3 miles Distance from nearest surface water 2000'</p>		
<p>Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bbls; Construction Material</p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: Pit Closure <input checked="" type="checkbox"/></p>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On January 25, 2005 Allstate Environmental Services started closure procedures. Closure of the pits was completed February 3, 2005.

Attachments:

Closure summary

Diagram of wellsite and pit location

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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 ☐

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 3/11/2005

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1288
For State Use Onl

APPROVED BY: [Signature] TITLE Wild Sep ID DATE MAR 17 2005
Conditions of Approval (if any):

Closure Summary

Pursuant to Pit and Below-Grade Tank Guidelines as published November 1, 2004 by the New Mexico Oil Conservation Division.

Allstate Environmental Services was contracted by Mack Energy Corp. to commence closure activities of the drilling pits at the Red Lake Sand Unit #51 lease in Eddy County on January 25, 2005. As described in the Form C-103 for the Red Lake Sand Unit #51 lease, the fluids in the pit were removed and disposed of. The contents were then stiffened and buried per option IV.B.3.(b) of the Pit and Below-Grade Tank Guidelines. Closure of the pits was completed February 3, 2005.

Site Sketch of Mack Red Lake Sand Unit #51

Drill Pit Closure Information

February 3, 2005

