| Subtitit 3 Copies To Appropriate District Office   | State of New Mexico  |                   |                |                 |         | Form C-103                              |  |                  |             |  |
|--|--|-------------------|----------------|-----------------|---------|---|--|------------------|-------------|--|
| <u>District I</u><br>1625 N. French Dr., Hobbs, NM 8824  | Dr., Hobbs, NM 8824 Energy, Minerals and Natural Resources |                   |                |                 |         |   | May 27, 2004 WELL API NO.              |                  |             |  |
| District 11 1301 W. Grand Ave., Artesia, NM 88210 District III   | OIL CONSERVATION DIVISION                                  |                   |                |                 |         | 30-015-36306  5. Indicate Type of Lease |  |                  |             |  |
| 1000 Rio Brazos Rd., Aztec, NM 87410   | Brazos Rd., Aztec, NM 87410 Santa Fa NM 87505              |                   |                |                 |         |   | STATE FEE 6. State Oil & Gas Lease No. |                  |             |  |
| 1220 S. St. Francis Dr., Santa Fe, NM  |  |                   |                |                 |         | (FEDERAL) NM-98170                      |  |                  |             |  |
| 87505 SUNDRY NOTICES AND REPORTS ON WELLS  |  |                   |                |                 |         |   | 7. Lease Name or Unit Agreement Name   |                  |             |  |
| (DO NOT USE THIS FORM FOR PROPO<br>DIFFERENT RESERVOIR. USE "APPLI   | SALS TO DRILL O  | R TO DEEPEN C     | OR PLU         |                 | (       | Colts Feder                             |  | CIII I I BIOGING | 1,5         |  |
| PROPOSALS.)  1. Type of Well: Oil Well  Gas Well  Other  |  |                   |                |                 |         | 8. Well Number 1                        |  |                  |             |  |
| 2. Name of Operator Mack Energy Corporation  3. Address of Operator  P.O. Pour 960 Artesia NIM 88211 0060  |  |                   |                |                 |         | 9. OGRID Number<br>013837               |  |                  |             |  |
| 3. Address of Operator   |  |                   | ~CD            | - NOTES         |         | I 0. Pool n                             | ame or                                 | Wildcat          |             |  |
| P.O. Box 960 Artesia, NM 88211   | -0960  |                   | 100            |                 | 7       | Wildcat Wo                              | olfcamp                                | Oil .            |             |  |
| 4. Well Location   | 2071   | C.                | .1             |                 | 220     |   |  | F4               |             |  |
| Unit Letter Lot 16   |  | from the Sout     |                | line and        | 330     |   | feet fror                              | m the East       | line        |  |
| Section 5  |  | nship 16S         |                | nge 29E         | ota l   | NMPM                                    | 1                                      | County Eddy      |             |  |
|  | 1 1. Elevation   | (snow wneine)     | 7 DK,<br>3707' | GR              | eic.j   |   |  |                  |             |  |
| Pit or Below-grade Tank Application  |  |                   |                |                 |         |   |  |                  |             |  |
|  | vater <u>110'</u> Distanc                                  | ce from nearest i | fresh w        | ater well_1000' | _ Dista | ince from nea                           | rest surfa                             | ace water 1000'  |             |  |
| Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bb1s; Construction Material   |  |                   |                |                 |         |   |  |                  |             |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data   |  |                   |                |                 |         |   |  |                  |             |  |
| NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:  |  |                   |                |                 |         |   |  |                  |             |  |
| PERFORM REMEDIAL WORK  PLUG AND ABANDON  REMEDIAL WORK  ALTERING CASING  |  |                   |                |                 |         |   |  |                  |             |  |
| TEMPORARILY ABANDON  | 1 MUTIDUE 0  | =                 |                | COMMENCE        |         |   | s.∐                                    | P AND A          |             |  |
| PULL OR ALTER CASING L   | MULTIPLE CO  | OMPL [            | l              | CASING/CE       | MENI    | JOB                                     | Ц                                      |                  |             |  |
| OTHER: Pit Closure   |  |                   | ]              | OTHER:          |         |   |  |                  |             |  |
| 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.                   |  |                   |                |                 |         |   |  |                  |             |  |
| Mack Energy Corporation proposes to close Drilling pit as follows:   |  |                   |                |                 |         |   |  |                  |             |  |
|  |  | ••                |                |                 |         |   |  |                  |             |  |
| 1. Remove fluids from pit.   |  |                   |                |                 | *.4     | 10 (11)                                 | .,                                     |                  |             |  |
| 2. A Deep Trench pit will be constructed next to the existing reserve pit and lined with a 12 mil liner, the contents will be  |  |                   |                |                 |         |   |  |                  |             |  |
| encapsulated in this pit and liner will be folded over the mud and cuttings.  3. Cover liner with 20 mil liner with excess of 3' on all sides as per option IV.B.3.(b) of the Pit and Below-Grade Tank Guidelines  |  |                   |                |                 |         |   |  |                  |             |  |
| 4. Cover with a minimum 3' of native soil.   |  |                   |                |                 |         |   |  |                  |             |  |
| 5. Contour pit to prevent erosion and ponding of rainwater.  Notify OCD 24 hours prior to beginning pit closure.   |  |                   |                |                 |         |   |  | ning             |             |  |
| TC 414 41 11 11 11 11 11 11 11 11 11 11 11   |  |                   |                |                 |         |   |  |                  |             |  |
| If pit is situated in an agric   |  |                   |                |                 |         |   |  |                  |             |  |
| area, all Pit contents MUST be hauled to disposal.  Samples are to be obtained from Samples are to be obtained to  |  |                   |                |                 |         |   |  |                  |             |  |
| hauled to disposal.  Samples are to be obtained to pit area and analysis submitted to pit area and analysis submitted to NMOCD prior to back-filling   |  |                   |                |                 |         |   |  |                  |             |  |
| 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 June   | ! Shenel   | <u></u>           | LE Pro         | duction Clerk   | k       |   |  | _DATE_4/11/07    | <del></del> |  |
| Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1288   |  |                   |                |                 |         |   |  |                  |             |  |
| For State Use On I Sum W. Green  |  |                   |                |                 |         |   |  |                  |             |  |
| APPROVED BY: Conditions of Approval (if and)   | 177 S  | TITI              | LE <u> </u>    | • • •           |         |   |  | _date <i>4[</i>  | 13607       |  |
|  | N  | 7                 |                |                 |         |   |  |                  |             |  |