

Submit 3 Copies To Appropriate District Office  
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

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-33510
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4070
7. Lease Name or Unit Agreement Name Southern Cross 16 State
8. Well Number 2Y
9. OGRID Number 013837
10. Pool name or Wildcat Penasco Draw; Permo Penn (Gas)

**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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator  
Mack Energy Corporation

3. Address of Operator  
P. O. Box 960 Artesia, NM 88211-0960

4. Well Location  
Unit Letter P 660 feet from the South line and 675 feet from the East line  
Section 16 Township 18S Range 24E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3730' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type Drilling Depth Groundwater 516' Distance from nearest fresh water well 4000' Distance from nearest surface water 500'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

RECEIVED

FEB 22 2005

ARTEZIA

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

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.
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.

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 2/21/2005

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 Dog DATE FEB 22 2005

Conditions of Approval (if any):