

Substitit 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. 30-015-33977
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-7113
7. Lease Name or Unit Agreement Name Gila State
8. Well Number 1
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 H 1980 feet from the North line and 660 feet from the East line
Section 17 Township 18S Range 24E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3800' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type Drilling Depth Groundwater 495' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

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

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 ☐

OTHER: _____ ☐

SUBSEQUENT REPORT OF:

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

OTHER: Pit Closure ☒

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 5, 2006 Allstate Environmental Services started closure procedures. Closure of the pits was completed January 13, 2006.

Attachments:

Closure summary

Diagram of well site and pit location

Accepted for record - NMOCD
/s/

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 2/7/2006

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

APPROVED BY: _____ TITLE _____ DATE _____
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 Gila State #1 lease in Eddy County on January 5, 2006. As described in the Form C-103 for this 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 January 13, 2006.

Mack Energy Pit Closure Site Sketch

Gila State #1

January 13, 2006

