District I
1625 N. French Dr., Hobbs, NM 88240
District 11
1301 W. Grand Avenue, Artesia, NM 88210
District III
1 000 Rio Brazos Road, Aztec, NM 8741 0
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



Pit or Below-Grade Tank Re.gistration or Closure
Is pit or below-grade tank covered by a "general plan"? Yes No of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

| Operator: Mack Energy Corporation Address: P.O. Box 960 Artesia, NM 88211-0960 | | |
|---|--|----------------------|
| Facility or well name: James Federal Com #1API #- 3 | 0.015.35366 U/L or Qtr/Qtr M | See 12 T 18S R 23E |
| Facility or well name: API#-OCOUNTY: Eddy Latitude | | |
| County: Eddy Latitude Longitude NAD: 1927 1983 Surface Owner: Federal X State Private Indian | | |
| Pit | Below-grade tan | |
| Type. Drilling X Production Disposal | Volume:bbl Type of fluid: Construction material: | |
| Workover Emergency | | |
| Lined Unlined | Double-walled, with leak detection? Yes If not, explain why not. | |
| Liner type: Synthetic ▼ Thickness 12 mil Clay □ | | |
| Pit Volume 3000 bbl | | |
| | Less than 50 feet | (20 points) |
| Depth to ground water (vertical distance from bottom of pit to seasonal | 50 feet or more, but less than 100 feet | (10 points) |
| high water elevation of ground water.) | I 00 feet or more | (0 points) O Points |
| | Yes | (20 points) |
| Wellhead protection area: (Less than 200 feet from a private domestic | No | (O points) |
| water source, or less than I 000 feet from all other water sources.) | 140 | 0 Points |
| 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 I 000 feet | (I 0 points) |
| irrigation canais, unches, and percinital and epitemetal watercourses. | 1000 feet or more | (0 points) 0 Points |
| | Ranking Score (Total Points) | 0 Points |
| 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 | | |
| | | |
| | | |
| I hereby certify that the information above is true and complete to the best ofmy 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 , a general permit , or an (attached) alternative OCD-approved plan | | |
| Date: 11/7/06 | | |
| Printed Name/Title Jerry W. Sherrell/Production Clerk Signature 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 public 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 regulations. | | |
| Approval: Jenn W. Steene Printed Name/Fittle 4 - Date: 1/14/06 | | |
| Printed Name/Title 4 of II Septenti | Signature | Date: 1114106 |