

McKay Oil Corporation

Roy L. McKay, President

P.O. Box 2014 Roswell, NM 88202 * Telephone 575 / 623 - 4735
One McKay Place Roswell, NM 88201 * Fax 575 / 624 - 2202

OIL
&
GAS

APR - 7 2008
OCD-ARTESIA

March 28, 2008

Oil Conservation Division
1304 W Grand
Artesia, NM 88210

RE: **McKay Oil Corporation**
Re: Notice of Violation -Pits - 03/06/08
LOV NO: 02-08-044

In reply to the attached Notice of Violation received March 13, 2008, please be advised of current status

LOOKOUT B FED #3
30-005-63754

Corrective Action Due 4/07/08
M-10-6S-22E

Current Status: Well initially flowed for test purposes, and reported as such to BLM on 6/6/07. Well officially completed and put online 11/30/07. Pit closure plan is underway and C144 will be filed subsequent to formal bid approval.

Sincerely,

Carol Shanks →

Carol Shanks
Production Analyst
McKay Oil Corporation

*Notified to submit C-144 to
Artesia office by 4-11-08.*

ACCEPTED FOR RECORD

APR 9 - 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA