

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-144
March 12, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: **Mack Energy Corporation** Telephone: **(505)748-1288** e-mail address: **jerrys@mackenergycorp.com**
Address: **P.O. Box 960, Artesia, NM 88211-0960**
Facility or well name: **Rhino Federal #2** API #- **30-025-36606** U/L or Qtr/Qtr **E** Sec **35** T **17S** R **32E**
County: **Lea** Latitude _____ Longitude _____ NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>2000</u> bbl		Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not, _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	0 Points
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)	0 Points
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (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: onsite offsite If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my 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: 6/10/04

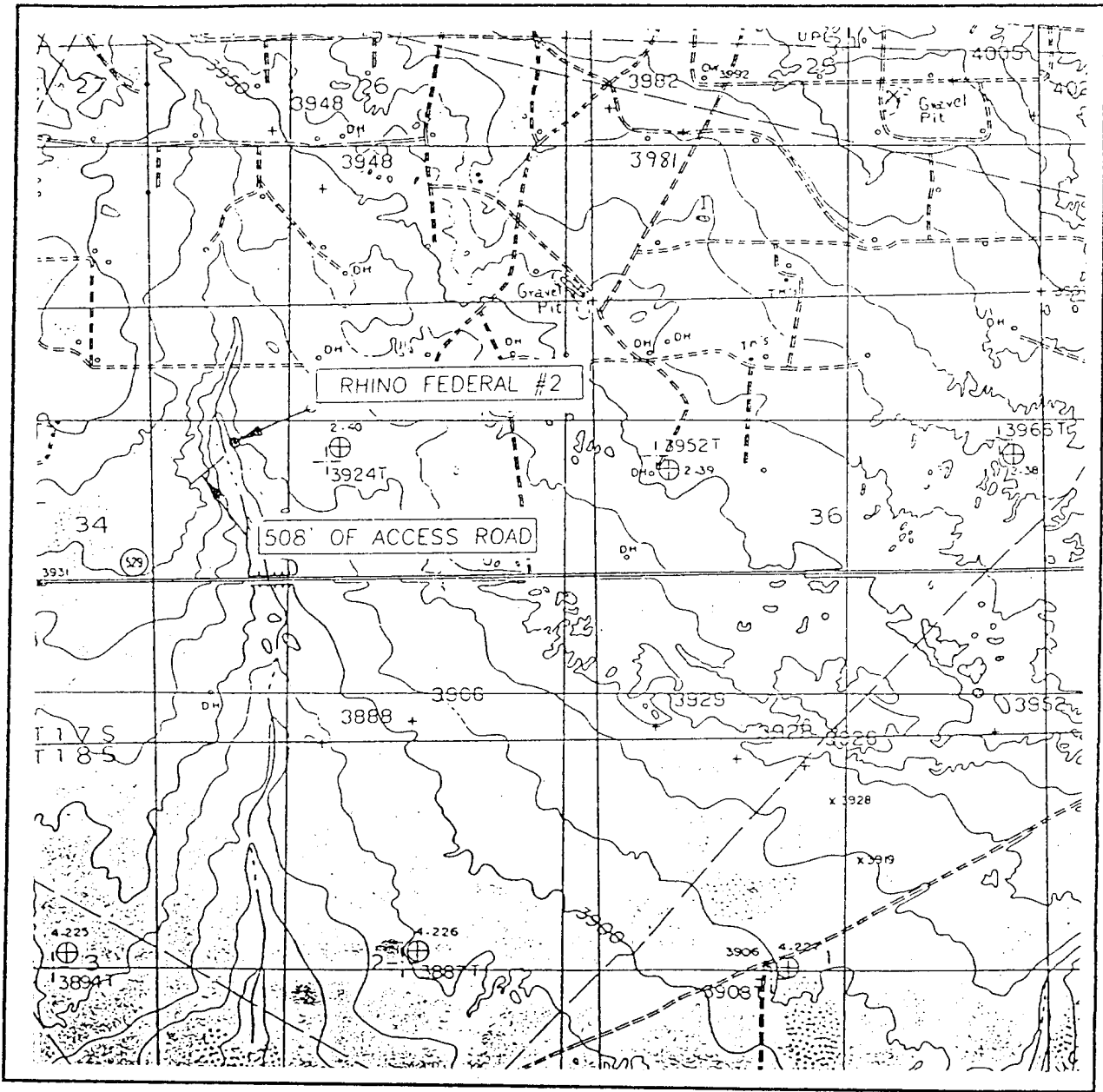
Printed Name/Title: **Jerry W. Sherrell/Production Clerk** Signature: Jerry W. Sherrell

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: _____
Date: 6/10/04
Printed Name/Title: **PETROLEUM ENGINEER**

Signature: [Signature]

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
DOG LAKE, N.M.

SEC. 35 TWP. 17-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1650' FNL & 990' FWL

ELEVATION 3919'

OPERATOR MACK ENERGY CORPORATION

LEASE RHINO FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

DOG LAKE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

Attached to Form 3160-3
Mack Energy Corporation
Rhino Federal #2
1650 FNL & 990 FWL
SW/4 NW/4, Sec 35 T17S R32E
Lea County, NM

9. Well Site Layout:

- A. The drill pad layout, with elevations staked by John West Engineering, is shown in Exhibit #6. Dimensions of the pad and pits are shown. Topsoil, if available, will be stockpiled per BLM specifications. Because the pad is almost level no major cuts will be required.
- B. Diagram below shows the proposed orientation of reserve pit, working pit. There is a possibility that the pits will be moved around depending on Caliche in the area. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.
- C. The reserve pit will be lined with high quality plastic sheeting (5-7 mil thickness).

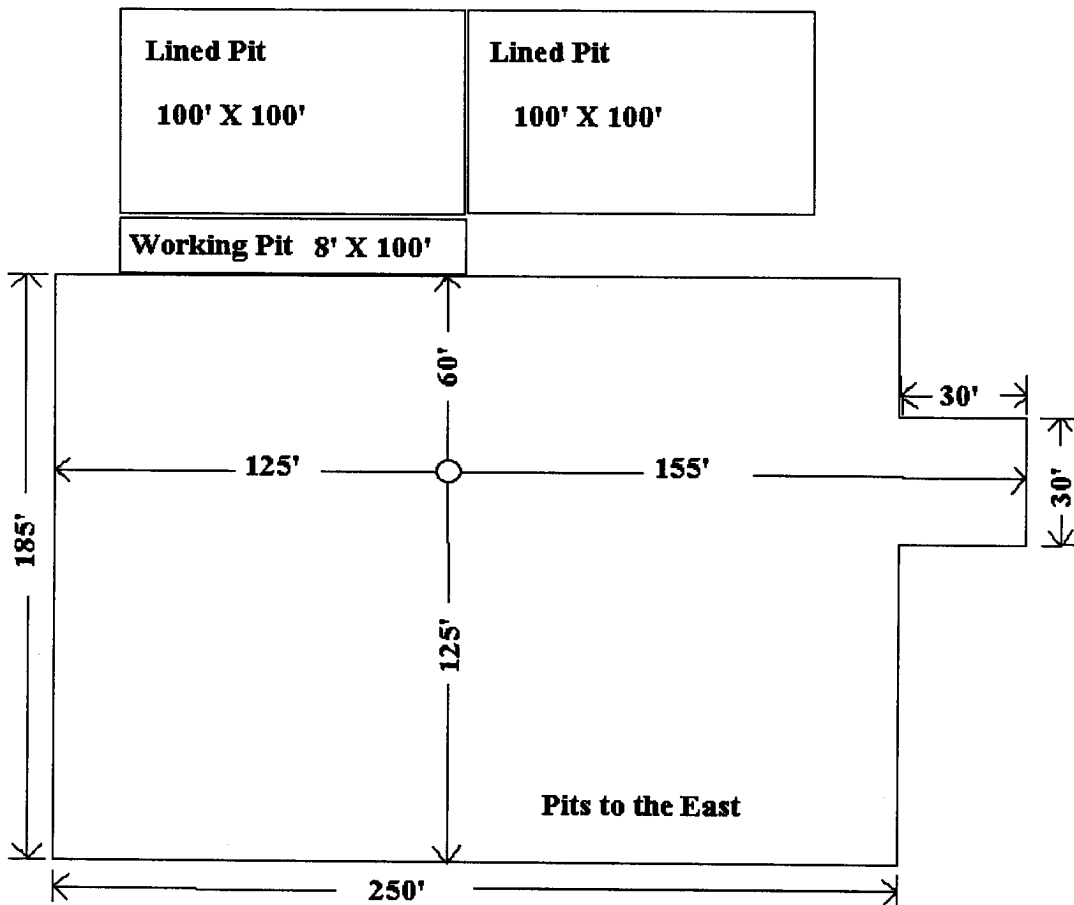


Exhibit #6