



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

6/4/2004

Mack Energy Corp.
Att: Jerry Sherrell
P.O. Box 960
Artesia, N.M. 88210

RE: 30-015-23119 King #1
Violation Rule 116.A & Pit Rule 50.

Dear Mr. Jerry Sherrell,

The Oil Conservation has received your letter dated May 25, 2004. The unreported hydrocarbon release referred to in the first compliance letter sent to Mack Energy on 5/20/2004 will require a form C-141 submitted to OCD reporting the release as per rule 116.A. Reporting required. Please include a corrective action Remediation work plan on C-141 form.

The blow down pit will require closure as per the pit Rule 50 interim pit and below-grade tank guidelines published May 28, 2004. A copy of the interim guidelines maybe found on the OCD web under "What's new". Prior to closure of pits and below-grade tanks and operator must submit a work plan on form C-144 accompanied By the information necessary to evaluate the closure.

Please submit the C-141 and C-144 forms as requested with-in this letter no later than 7/4/2004.

If I can be of assistance in this matter please do not hesitate to contact me at mstubblefield@state.n.m.us or 505-748-1283.

Sincerely,

Mike Stubblefield
Environ. Eng. Spec.
E.M.N.R.D./O.C.D.