

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

SUNDY 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.)		WELL API NO. 30-025-37426
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No. E-3788
3. Address of Operator P. O. Box 960 Artesia, NM 88211-0960		7. Lease Name or Unit Agreement Name Grouper State
4. Well Location Unit Letter <u>P</u> <u>330</u> feet from the <u>South</u> line and <u>990</u> feet from the <u>East</u> line Section <u>14</u> Township <u>16S</u> Range <u>32E</u> NMPM County <u>Lea</u>		8. Well Number <u>1</u>
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 4278' GR		9. OGRID Number 013837
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>		I 0. Pool name or Wildcat Queen
Pit type <u>Drilling</u> Depth Groundwater <u>129</u> Distance from nearest fresh water well <u>1000'</u> Distance from nearest surface water <u>1000'</u>		
Pit Liner Thickness: <u>12</u> 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Pit Closure</u> <input checked="" type="checkbox"/>	

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 May 15, 2006 Allstate Environmental Services started closure procedures. Closure of the pits was completed May 24, 2006.

Attachments:

Diagram of well site and pit location



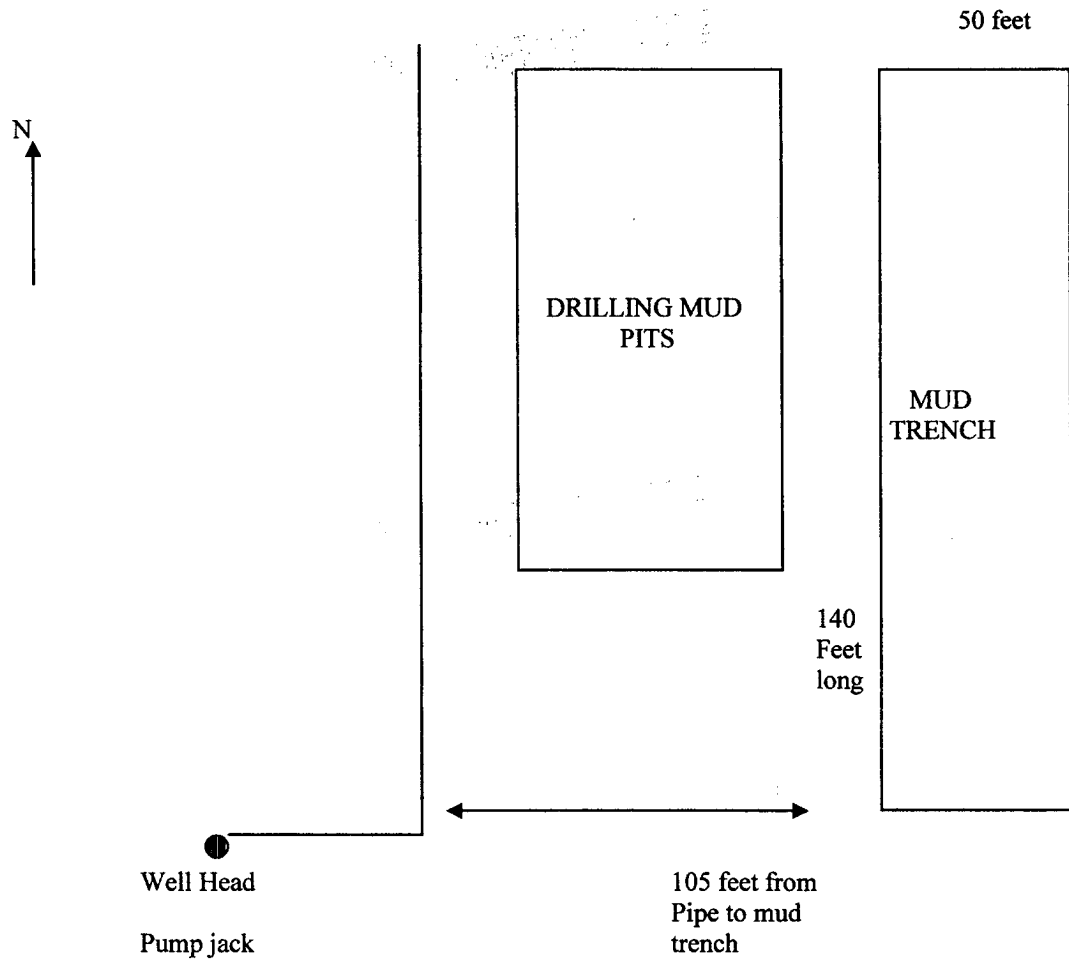
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 6/12/2006
Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1*
For State Use Onl

APPROVED BY: Chris Williams TITLE SUPERVISOR/GENERAL MANAGER DATE JUN 14 2006
Conditions of Approval (if any):
BE DISTRICT SUPERVISOR

RECEIVED

JUN - 7 2006



Mack Energy
Grouper State #1
Lea County, New Mexico

140 Feet Long
50 feet Wide
105 Feet from pipe to Mud Trench