

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

12/27/2006

Hamp Kerbe, Elke Environmental, Inc. On behalf of David H. Arrington Oil and Gas Co. 4817 Andrews Highway Odessa, Texas 79762

Re: Mallon Drake #1 Reserve Pit API 30-025-28707

UL G Sec. 16-T16S-R37E Lea County, NM

Dear Mr. Kirby:

New Mexico Oil Conservation Division (OCD) personnel reviewed the closure report submitted by Elke Environmental, Inc. (Elke) on behalf of David H. Arrington (DHA) for the site referenced above. The closure is hereby approved according to information provided.

Please be advised that OCD approval does not relieve DHA of liability should operations result in contamination of surface water, groundwater, or the environment. In addition, OCD approval does not relieve DHA of responsibility for compliance with other federal, state or local laws and or regulations.

If you have any questions or need assistance please write or call: 505-393-6161 ext. 102, or e-mail chrs.williams@state.nm.us

Sincerely,

NMOCD District | Supervisor