Submit 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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-015-10258
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. (1964 P&A)

SUNDRY 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.)

7. Lease Name or Unit Agreement Name: Harris State
1. Type of Well: Oil Well ☐ Gas Well ☒ Other Re-entry of Plugged Well
8. Well Number 1
2. Name of Operator: Sandal Operating Company
9. OGRID Number 226685
3. Address of Operator: P.O. Box 10487, Midland, TX 79702
10. Pool name or Wildcat: Proposed Antelope Sink; U. Penn
4. Well Location
Unit Letter P : 660 feet from the South line and 660 feet from the East line
Section 36 Township 18S Range 23E NMPM County Eddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3830' KB

Pit or Below-grade Tank Application ☐ or Closure ☐ Lined Pit constructed as permitted on Form C-144
Pit type ____ Depth to Groundwater ____ Distance from nearest fresh water well ____ Distance from nearest surface water ____
Pit Liner Thickness: ____ 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	☒	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER:	☐			OTHER:	☐		

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.

Repair 8 5/8" Casing from 20' to 222'

- Spot 155 sacks Class C Cement w/ 2% $CaCl_2$ & 20 lbs. cellophane flakes, From 230' to surface.
- Pull work string and close blind rams.
- Squeeze cement at low pressures.
- WOC 18 hrs.
- Drill out cement
- Test repair to 1000 psi for 30-min.
- Continue re-entry as approved on Form C-101.

- Request approval to initiate, and complete, this repair today, 6/28/06 due to equipment standing by and availability of cement crew.

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 ☐.**

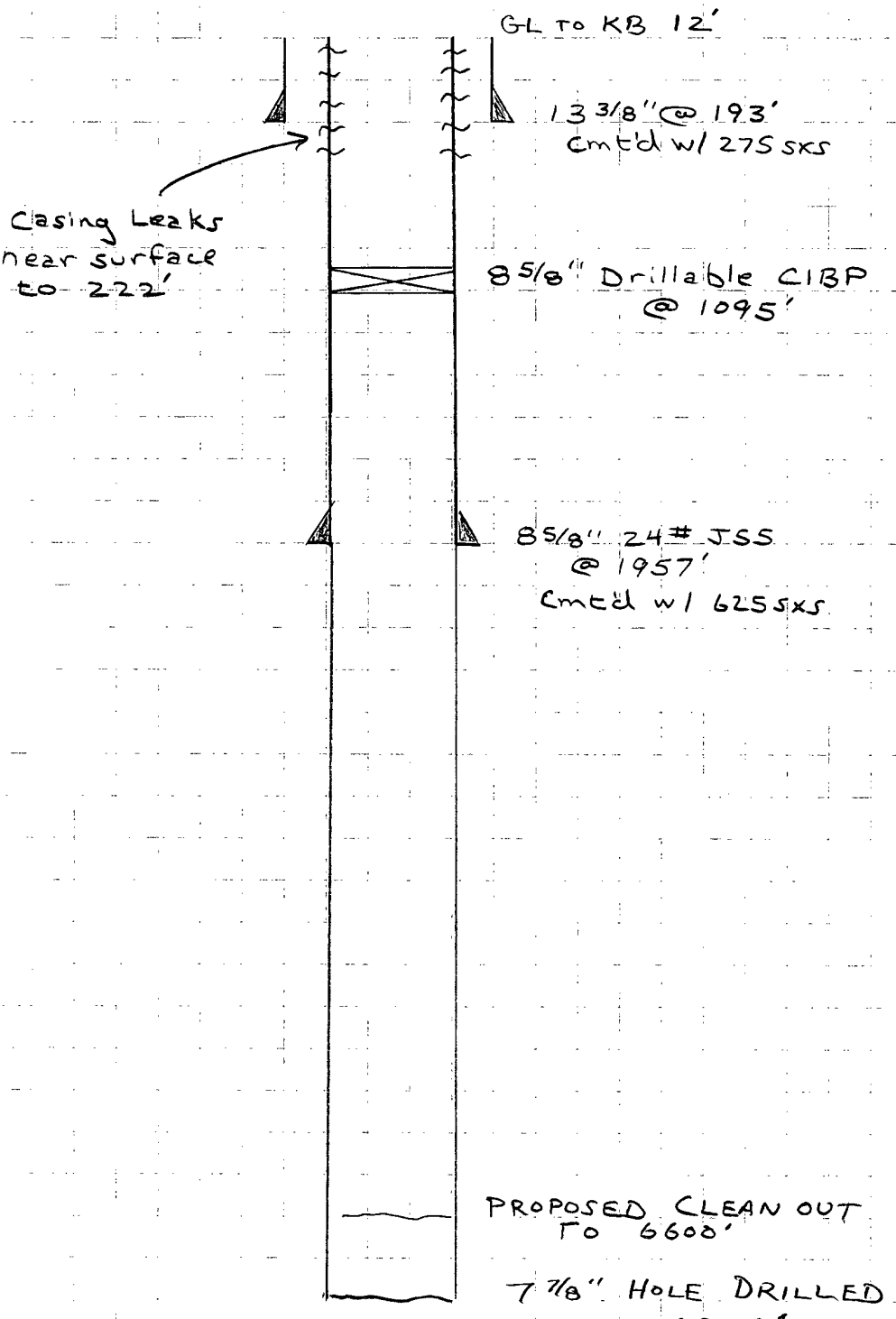
SIGNATURE [signature] TITLE Agent DATE 6/28/06

Type or print name
For State Use Only
E-mail address:
Telephone No.

APPROVED BY: BRYAN G. ARRANT DISTRICT II GEOLOGIST TITLE ____ DATE JUN 28 2006
Conditions of Approval (if any):

SANDEL OPERATING CO.

HARRIS STATE NO. 1



6/28/06

PTW

Sandel Operating Company
OGRID # 226685
Re-entry Procedure
Harris State # 1
API # 30-015-10258
660 FSL X 660 FEL
UL "P", Section 36, T18S, R23E
Eddy County, New Mexico

Well was drilled and plugged and abandoned as dry hole in 1964 by Franklin,Aston & Fair.

1. Dig out well and removed PA marker.
2. Install weld on 8 5/8" x 8" 3000 psi well head with 2-2" outlets with nipples and ball valves.
3. Set and test 4 Service Unit anchors.
4. Move in rig up Service Unit.
5. Nipple up drilling spool and manual 8" 3000 psi BOP.
6. Pressure test well head and BOP assembly to 1500 psig.
7. Well will be re entered with 9.1 ppg cut brine.
8. Run 7 7/8" bit, drill collars and drill out surface plugs.
9. Run bit to 1100feet and circulate clean and pressure test casing to 1000 psig.
10. Drill out cement plug 1100' to 1200'
11. Drill out remaining cement plugs to TD of 6600ft with cut brine, Circulate clean.
12. Pull tubing and tools
13. Run 5 ½" casing and cement with estimated 200 sack Class "H" cement.
14. Test Upper Penn for commercial production.