

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-101
May 27, 2004

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

RECEIVED
Submit to appropriate District Office
JUN 21 2005
AMENDED REPORT
OCD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Sandel Operating Company c/o Pueblo West LLC 1218 W. Pueblo Ave Hobbs, NM 88240		² OGRID Number 226685
		³ API Number 30-015-10258
⁴ Property Code 34902	⁵ Property Name Harris State	⁶ Well No. # 1
⁷ Proposed Pool 1 Under Antelope Sink, Upper Penn 70520		⁸ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	18S	23S		660	South	660	East	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3818
¹⁶ Multiple S	¹⁷ Proposed Depth 6806	¹⁸ Formation Upper Penn	¹⁹ Contractor Unknown at this time	²⁰ Spud Date ASAP
Depth to Groundwater 100 - 300ft		Distance from nearest fresh water well Estimated 1320ft		Distance from nearest surface water Estimated 900ft
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 1000_bbls Drilling Method: SU and Reverse Circulation Unit				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17"	13 3/8"	48# / ft	193	275	Surface - In place
12"	8 5/8"	24#/ft	1957	625	Surface - In place
7 7/8"	5 1/2"	15 50# / ft	6600	200	5700

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Sandel Operating proposes to re-enter the plugged well bore drilled and plugged by Franklin, Aston and Fair in 1964.
Please see attached drilling program and procedure

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Michael S. Prichard

Title: Agent

E-mail Address: michaelprichard@hotmail.com

Date:

Phone: 505-392-9100

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: JUN 24 2005

Expiration Date: JUN 24 2006

Conditions of Approval Attached ☐

Approval:

Printed Name/Title

Signature

Date:

AS A CONDITION OF APPROVAL, A DETAILED CLOSURE PLAN
MUST BE APPROVED BEFORE CLOSURE MAY COMMENCE.

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 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 ☒ X

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

Operator: Sandel Operating Corp Telephone: 505-392-9100 e-mail address: michaelsprichard@hotmail.com
Address: c/o Pueblo West LLC 1218 W. Pueblo Hobbs, NM 88240
Facility or well name: Harris State # 1 API #: 30-015-10258 U/L or Qtr/Qtr P Sec 36 T 18S R 23E
County: Eddy Latitude 32.69899795343 Longitude -104.6387291129 NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☐ Thickness 12 mil mil Clay ☐

Pit Volume 1000 bbl

Below-grade tank

Volume: bbl Type of fluid:

Construction material:

Double-walled, with leak detection? Yes ☐ If not, explain why not.

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JUN 21 2005

OCD-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet	(20 points)
50 feet or more, but less than 100 feet	(10 points)
100 feet or more	(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	(20 points)
No	(0 points) 20 points

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet	(20 points)
200 feet or more, but less than 1000 feet	(10 points)
1000 feet or more	(0 points) 10 points

Ranking Score (Total Points) 30 points

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: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility . (3) Attach a general description of remedial action taken including mediation 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.

Additional Comments: See drawing of location and distance from fourmile draw that goes through Section 36, T18S, R23E

*As per Michael Prichard they will use Guidelines
V.A. Phone 6-30-05*

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: 6/19/05

Printed Name/Title Michael S. Prichard / Agent

Signature *Michael S. Prichard*

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: *[Signature]*

Printed Name/Title *[Signature]*

Signature *[Signature]*

Date: JUN 30 2005

**AS A CONDITION OF APPROVAL, A DETAILED CLOSURE PLAN
MUST BE APPROVED BEFORE CLOSURE MAY COMMENCE.**

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

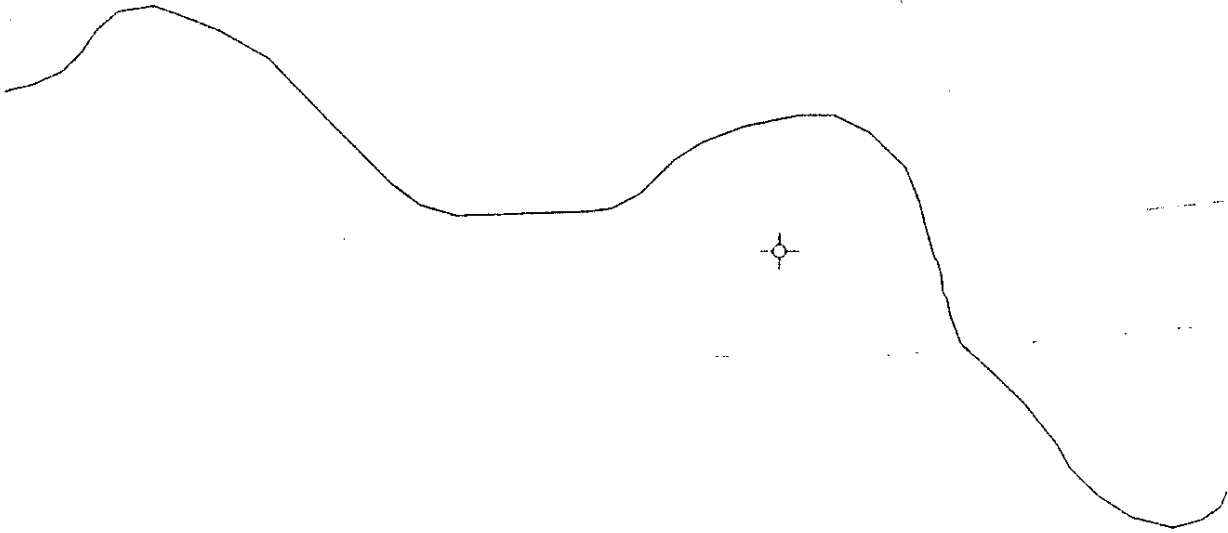
Well was drilled and plugged and abandoned as dry hole in 1964 by Franklin, Aston & Fair.

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 1/2" casing and cement with estimated 200 sack Class "H" cement.
14. Test Upper Penn for commercial production.

Pueblo West LLC

Fourmile Draw through Section 36, T18S, R23E Eddy County, NM

S36 T18S R23E



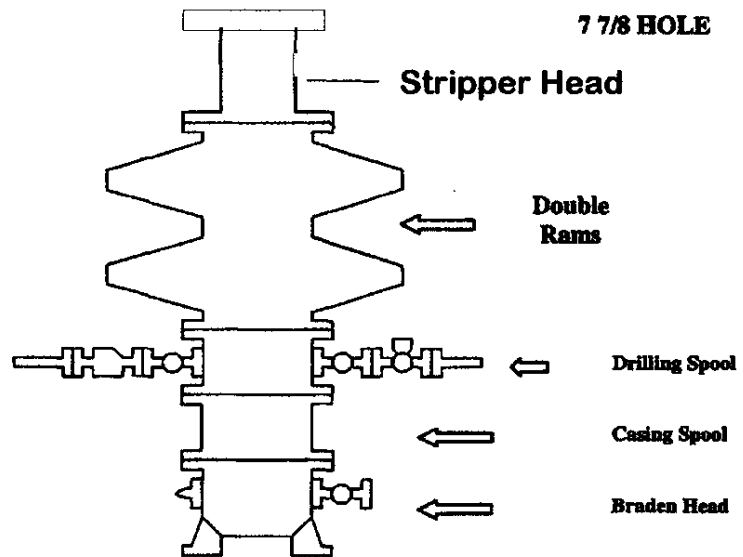
Sandel Operating Company
OGRID # 159853
Pit Procedure
Harris State # 1
API # 30-015-10258
660 FSL X 660 FEL
UL "P", Section 36, T18S, R23E
Eddy County, New Mexico

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

1. Drilling fluid (Cut Brine) will be contained in steel pit and hauled to disposal facility after completion of drilling and cementing operations.
2. Cement cuttings and well solids will be buried on site in 12 mil pit liner.
3. 12 mil liner will be placed over solids and covered and contoured to prevent rain water pooling
4. 3 feet of clean topsoil will be placed over liner
5. Due to distance from fourmile draw the north and east side of location will be bermed to contain any accidental spills

Sandel Operating Company

BOPE Schematic



Sandel Operating Company
OGRID # 226685
H2S Contingency
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.

H2S concentrations for wells in this area are low enough that a contingency plan is not required.