RIH w/ SIL PKr + set e 618' Squeeze 35 SX cmt W/390 C+C Rig up que on WL RIh + tag plug C 660' Put w/qun to 384' + pertorate + holes. Pump 127 st of cont circulating cont to surface. Cut off wellhead, anchors, clean + level location.

(S) (D)

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON GOVERNOR OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY

April 8, 1996

Rand Carroll, Legal Bureau Oil Conservation Division 2040 South Pacheco St. Santa Fe, NM 87505

Re: Cost over-run, Otis H. Sanders, Thigpen et al #1-Y F-7-16-25

Dear Rand;

After we had started plugging operations on the above captioned well we noticed there was no cement behind the casing at the 9 5/8 shoe and also the 13 3/8 shoe. Because of the location of this well in the Artesia water basin, we decided to perforate & squeeze cement in order to better protect our water.

We apologize for the oversight and the extra work this may cause you.

Yours Truly,

Ray Smith Deputy Oil & Gas Inspector

RS:br