NEW MEXICO OIL CONSERVATION DIVISION P.O. DRAWER DD ARTESIA, NEW MEXICO 88210

DATE January 10, 1989

Terra Resources, Inc.

10 Desta Drive, Suite 500 W.

Midland, TX 79705

JAN 11 1989

RECEIVED

Re: Plugging Reports

MAR 02'89

O. C. D.

Gentlemen:

TERRA RESOURCES, INC. MIDLAND, TEXAS 79701

Form C-103 Rep	ort of Plug	ging for	your	Sleepy	#1	F	31-18-26
				Lease	Well No.	Ut.	S-T-R

cannot be approved until an N.M.O.C.D. representative has made an inspection of the location and found it to be cleared to comply with Division Rules and Regulations. Please check each item in the space provided to indicate that the work many agent.

- (X) 1. All pits have been filled and leveled.
- (X) 2. Rat hole and cellar have been filled and leveled.
- (X) 3. A steel marker 4" in diameter and approximately 4' above mean gradiand OFFICE level has been set in concrete. It must show the quarter-quarter section or unit designation, section, township and range numbers which have been permanently stenciled or welded on the marker.
- (X) 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- (\times) 5. The dead men and tie downs have been cut and removed.
- () 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by filling in the blank form below and returning this letter to us so that our representative will not have to make more than one trip to the location.

OIL CONSERVATION DIVISION

SUPERVISOR, DISTRICT II

FILL IN BELOW AND RETURN

I certify that the above work has been done and the above mentioned lease is ready for your inspection and approval.

c. Robert Winkly The

NAME

Operations Enginner TITLE

CEIVED

February 28, 1989 MAR 02'89

accessa, Office

New Mexico Oil Conservation Division P.O. Drawer DD Artesia, NM 88210

> Re: Sleepy #1 Form C-103 Requirements

Gentlemen:

All plugging requirements have been met for the Sleepy #1. Please find enclosed your letter dated January 10, 1989 which indicates that the necessary work has been done. The lease is prepared for your inspection for approval of Form C-103.

If you have any questions, please call.

Sincerely,

TERRA RESOURCES, INC.

C. Robert Winkler III Operations Engineer

ksk

Enclosure

