O'Briant & Associates, Inc.

P. O. Box 10487 Midland, TX, 79702 (432) 683-5511 (24 Hr. Ans), (432) 683-5903 (Fax) E-Mail: cobriant@apex2000.net

SEP 2006 RECEIVED OCD - ARTESIA

MEMORANDUM TO FILE

TO:

Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

FROM:

Sheryl L. Jonas

Sandel Operating Company O'Briant and Associates, Inc.

DATE:

September 5, 2006

Well:

Harris State No. 1

P-36-18-23

API#30-015-10258

Eddy County, New Mexico

Subject:

Final Inspection

Dear Mr. Hawkins:

This in reference to the letter dated August 18, 2006 regarding the location and it's readiness for final inspection. Item number two through item number seven is ready for inspection.

Item number one: The pits have not been closed as per rule 50, due to the rain and drying time. Mr. Paul West or someone from O'Briant & Associates will monitor the pits and keep the NMOCD apprised of the condition of the pits.

Sheryl L. Jonas

Cc: Phil Hawkins/Artesia Office

Paul West

Sandel Operating Company



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

NMOCD

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AUG 2 1 2006
BY:

18 August 2006

Sandel Operating Co. P.O Box 10487 Midland.Texas 79702

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Form C-103 Report of Plugging for you're Harris State #1 P-36-18-23 API 30-015-10258 Cannot be approved until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.
1. All pits have been closed as per Rule 50.
2. Rat hole and cellar have been filled and leveled.
3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
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.
7. All environmental concerns have been addressed as per OCD guidelines.
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 completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.
I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.
A2Hal.
Name Phil Hawkins Field Rep.
Accepted for record