John H. Hendrix, Corp. PO Box 910 Eunice, NM 88231 505-394-2649

2/22/06 Attn: Mr. Buddy Hill OCD Hobbs NM

Dear Buddy:

As you know, we recently plugged and abandoned our Mattern # 7 (N-7-22-37, API # 30-025-10089-00-00). That site has been cleaned and leveled per OCD requirements, and is ready for final inspection. Please note that the line heater west of the P&A marker is the property of the gas purchaser. Though it's not on the well location proper, I notified them that the well had been plugged, and that it could be removed.

Thank you for working with us on this project. Please call with any questions or concerns.

Sincerely,

Marvin Burrows

Prod. Mgr.

JHH, Corp., Eunice, NM

Cell: 505-390-9689



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

25-Jan-2006

JOHN H, HENDRIX CORP. RECEIVED

FEB - 1 2006

JOHN H HENDRIX CORP

12024

PO BOX 3040

Property

MIDLAND,TX 79702-3040

MATTERN

N-7-22\$-37E 3

30-025-10089-00-00

007

MIDLAND, TX

Form C-103, Report of Plugging has been approved as to plugging of the Well Borc. Liability under bond is retained 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 remediated, filled and leveled.
 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 remediated, 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.

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 QCD inspection and approval.

Name Manuel Tourner Title Powd, man.

Oil Conservation Division * 1625 N. French Drive * Hobbs, New Mexico 88240 Phone: (505) 393-6161 * Fax (505) 393-0720 * http://www.emnrd.state.nm.us

2/1/04