

OIL CONSERVATION DIVISION
ARTESIA, NEW MEX. 88210

TO: Randy Carroll
FROM: Ray Smith
DATE: 6-10-97

NUMBER OF SHEETS (INCLUDING TRANSMITTAL SHEET) 5

IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL 505-748-1283.

FAX NUMBER (505) 748-9720

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Drum, Hunt, Brown + AM Arctic Mobil
State 32 #1 in Sec 32 - T25S R. 1E
Wtl D Dona Ana County was spud on
October 2, 1972.

Set 302' of 20' csg + cemented with 1000 sf
circulated to surface.

Drilled 17 1/4" hole to 2,860' & set 2,860'
of 13 3/8" csg. Cementing csg with 1156 sf of
cement. TOC @ 1550'.

Drilled 12 1/4" to 10,279'. Drilled 11" hole to
11,400'.

On December 30, 1972 ran 10,861' of 9 5/8"
csg + cemented with 1000 sf class A cement.
Estimated TOC @ 2091.

? On Feb 20, 1973 this office received an APD
to deepen this well to 20,000'.

Note: We have no subsequent report from Drum
Oil Co. on the drilling of this hole but a
letter from Mr. Drums to Mr. Bill Grisett
OGD office in Artesia that the well was
drilled to 21,759'. However because of
equipment lost in the hole they were
forced to sidetrack junk @ 20,688'
and the new hole reached a TD of 20,767'.
Plan to deepen hole to 22,500'.

(2)

permission was granted on August 3, 1973 to temporarily abandon the hole for a period not to exceed six months and a 100.00 plug was spotted @ 11000' and the hole was abandoned. An extension was asked May 21, 1976 & granted by Mr. Grisitt June 8, 1976 and was to expire October 1, 1976.

Our file contains a note from the Division Director of the NMOCED Mr. Dick Staments dated January 22, 1980 to Mr. Grisitt that Grimm had lost his lease and I quote Mr. Staments we now need to move to have this well properly B-1 or return to active drilling status.

Mr. Grisitt wrote Mr. Grimm on March 14 1980 stating since there had been no reply to a previous letter October 19, 1979 I am referring the matter to our attorney in Davis to schedule a hearing.

Mr. Grimm wrote Mr. Grisitt March 17, 1980 saying that he was no longer operator of the said well. The present operator is Mr. George Brown, Highland Resources Inc 800 San Jacinto Bldg, Houston Texas 77002.

On March 24, 1980 this office received notice of hearing set for 9:00 AM April 9, 1980 for case # 6850.

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On 3-28-1980 Mr. Grissett wrote Mr. Ernest Padilla General Counsel in Santa Fe stating that Mr. I.W. Norman with Highland Resources had called & said they did not want to drill the well but hold it for geothermal possibilities.

April 1, 1980 Mr. Eric Norman for George R. Brown wrote Mr. Grissett stating Mr. Grimm's desire to remain as operator of the well.

Also on April 1, 1980 Mr. Grimm wrote Mr. Grissett confirming this and said he would like to keep the well in its present status for another twelve months.

April 3, 1980 Mr. Padilla wrote Mr. Grimm stating that with proper bonding he might could possibly dismiss the case for one year.

On April 27, 1980 Mr. Padilla called Mr. Grissett & said he will dismiss the case for six months.

June 4, 1983 I wrote Mr. Grimm asking for subsequent report on the status of the well and he did not respond to my letter.

April 2, 1996 I wrote Mr. Grimm giving him our rule 201 A + 201 B again asking him for a status report on the well & he did not respond at all.

(4)

also on April 2, 1996 I wrote to Mr. George Brown with Highland Resources who are partners in the well & my letter was returned.

June 24, 1996 I wrote Mrs. Grumm again. I again sent him rule 201 A & B in regard to abandoned wells. I informed him that in order to bring the well into compliance we would atleast need to test the casing & I scheduled an MIT for August 1, 1996 & I ask for someone to call me. I have had no response.

August 23, 1996 upon instruction from my supervisor I wrote our legal counsel Mr. Rand Carroll asking for a hearing.