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GENERAL CORRESPONDENCE

YEAR(S):

1999

Chronological Report for
Glen Plemon's Friess Federal #5 located in
Unit (C), Sec. 30, T-17-S R-31-E
Eddy Co., N.M.

The following is documentation and field notes that E.L. Gonzales , Field Representative I; Bryan G. Arrant, District Geologist; Tim Gum, District Supervisor in District II, and Mike Stubblefield, Field Supervisor in District II compiled on the above referenced well. Telephone calls made to Glen Plemons are also noted in this report.

(Typed and edited by Bryan G. Arrant)

- 5/07/99 Approximately 1:00 P.M. Tim Gum informed Mike Stubblefield of a waterflow in the Cedar Lakes area. Tim instructed Mike to respond to the situation. Mike went out and met with Glen Plemons, operator on the Friess Federal #5 well. Glen was out on location with a roustabout crew digging out the braiden-head around the well. A valve on the braiden-head was dug out and it was discovered a hole had developed in the nipple in front of the valve. Glen was going to replace the nipple in an attempt to shut-in the water flow. Mike observed that water was flowing a pencil size stream from the well head, which flowed to a low spot in the sand next to the well. Glen told Mike that he was going to construct a surface pit to contain the water flow while the repairs were being made.
- 5/10/99 Mike Stubblefield assigned E.L. Gonzales to oversee the Glen Plemons situation. Mike instructed E.L. to get with Glen Plemons first thing in the morning on Friday, May 11th because Glen Plemons reported to the OCD office in Artesia that there was a 'problem' with his well.
- 5/11/99 E.L. met with Glen Plemons in Loco Hills and went to the Friess Federal #5. Glen told E.L. that his well had been leaking for a week beginning 5/01/99 and Glen told E.L. that he attempted to stop the leak on 5/07/99 by working on the wellhead. This resulted in the leak becoming larger. E.L. took pictures of the location and north of the shallow pit & playa lake. E.L. told Glen that he needed to dig out around the wellhead and see where the water leak was coming from and that he needed to repair the well in order to establish a SI pressure and determine the volume of water coming from his well. E.L. determined that the release of water was as a big problem and needed to be corrected immediately. After reporting this information to Mike Stubblefield, Mike had E.L. start a survey of water injection wells and salt water disposal wells around Friess #5. E.L. drove around the Friess # 5 well compiling data surveying 13 wells that day in an area $\frac{3}{4}$ to $\frac{1}{2}$ miles around Plemon's well.
E.L. remembers Glen telling him that he was going to get a backhoe and dig out around the wellhead and do 'other work'. Glen said that he would call and let us know (the OCD) when he was ready to start the work. That same day, E.L. took water samples and salt crystals around the Friess #5 in order to be tested.
- 5/13/99 E.L. went to the Friess #5 and checked on location and wellhead. This was to make sure that water coming from the wellhead was not getting off location, spilling on the surface and polluting the nearby playa lake.
- 5/17/99 E.L. went to check the location and wellhead. That day E.L. surveyed the remaining of the water injection wells & salt water disposal wells in the area that Mike had ordered him to do.

- 5/19/99 Glen called E.L. & met with him and his son Russell. At the well, they installed a 2" hose and checked the rate of flow. The rate of flow was estimated to be flowing 5 gallons in 17 seconds. In barrels of liquid per day this comes to @ 794 bbls/day. E.L. told Glen that he needed to fix the hole in the 8 5/8" casing immediately.
- 5/21/99 Glen and his son (Russell) were on location with a backhoe digging out around the wellhead and they found a 1/2" hole in the 8 5/8" casing. E.L. took pictures of the well at that time. Glen and his son attempted to repair the leak with a tap plug. They also installed a gauge and 2" valve. E.L. instructed Glen to carefully shut the 2" valve while he checked for other leaks. When valve was half closed, E.L. noticed water coming from the ground, below the hole that had been repaired. E.L. told Glen that they needed to find the leak that was deeper than the first hole discovered 18" down before Glen finished plugging the 1st 18" hole. Glen told E.L. that he would repair the hole tomorrow on Saturday May the 22nd. Glen informed E.L. that he was going to bring more help and bring a backhoe.
- 6/02/99 While E.L. was waiting on Warren Petit an employee with Navajo Pipeline on County Road 220 east of Loco Hills, Glen stopped him and asked if he could copy his field reports and inspection records that he had made of the wells around the Friess #5. E.L. gave him the papers and told him to leave his copies at the supply store at Loco Hills and that he would pick them up which Glen did. Later that day after E.L. checked some other work in his area, E.L. passed by the Friess #5 and noticed that a large pit had been dug.
- 6/07/99 That morning, Mike and E.L. inspected the Friess #5. They attempted to contact Glen from the location. After failing to do so, they drove to Loco Hills and stopped at Hughes Well Services and asked the dispatcher if he or anyone had seen or heard from Glen. E.L. and Mike told the dispatcher that they representing the OCD needed to reach Glen as soon as possible because his pit was getting full of water. The dispatcher informed E.L. and Mike that Glen usually calls in the afternoon and he would relay the message. The dispatcher said that one of his drivers would go in that general area and see if any water needed to be hauled from the pit.
- 6/08/99 E.L. called every day numerous times and tried to contact Glen Plemons. On one occasion, E.L. spoke to his mother and told her to have Glen call the OCD immediately. She said that she did not know where her son was.
- 6/10/99 On or about 6/10/99, Tim called Rand and asked what could be the next step for the OCD if Glen Plemons did not repair his well. He advised Tim that he could cancel his allowable, then if he did not perform, we would call a show cause hearing to call (revoke) his operating bond.
- 6/15/99 Tim Gum and E.L. were at the Glen Plemon's site.

The following dates represent days that E.L. visited the well site and tried to contact Glen Plemons on the phone and in the field:

6/07/99
6/08/99
6/14/99
6/15/99
6/16/99
6/17/99
6/18/99
6/21/99
6/23/99
6/24/99

6/15/99
Thru

On or about these dates, Tim made (4) calls trying to reach Glen Plemons.

6/18/99

- 1) Tim was able to reach an answering machine. Tim reports that the recording was of very poor quality. Tim also called Glen's cellular phone and a recording from the Phone Company indicated that the phone was out of service.
- 2) Tim called Glen's home phone number and spoke to Glen's mother. Before the conversation was completed, the connection was broken and she hung the phone up on Tim. Tim did have time though to tell Glen's mother that Glen needed to call the OCD office.
- 3) Tim called the next day and was only able to get an answering machine. Tim left message for Glen to call the OCD, as soon as possible that it was very important that Glen speak with him.
- 4) Phone calls will be available in 30-45 days to verify calls made to Glen Plemon's phone.

6/24/99

On or about this day, Bryan was able to leave a message on Glen's answering machine that his mother had. The answering machine recording was of very poor quality and it was hard to hear the instructions. Bryan remembers saying after the beep: "This is Bryan Arrant with the Oil Conservation Division and I am trying to contact Glen Plemons. I need him to call me at 505-748-1283 as soon as possible regarding the Friess Federal #5.

6/25/99

Bryan Arrant road with E.L. to check the water flow and the condition of the location on Friess #5. Away from the location on State HW 82, they called Glen and his son, Russell. Russell informed them that Glen was in Chicago.* E.L. told Russell that the water in the pit on the Friess #5 needed to be hauled and Glen needed take care of it. He said he would call Glen and tell him about the pit. E.L. told Russell that when he spoke to Glen for him to contact the OCD immediately.

* Please note that Glen Plemon's mailing address in Lubbock, Texas is on 8216 Chicago Street and Bryan spoke to Glen that same day on his cellular phone.

Later in the early afternoon, Bryan contacted Roger Anderson, Environmental Bureau Chief in Santa Fe, New Mexico and informed him of the Glen Plemons situation. Roger suggested that he call Lori Wrottenbery, Division Director in Santa Fe and get an emergency order to repair and stop the water flow.

There were numerous phone conversations between Bryan, Lori, Mike, Roger and Rand Carroll, our legal Council Attorney for the OCD in Santa Fe. Lori instructed Bryan to call Glen Plemons and order him to have trucks start hauling water out of his pits by 4 P.M. so as not to further contaminate the soil and possible ground water and pollute the playa lake next to the Friess #5. Lori also instructed Bryan to tell Glen Plemons to begin repair of his well in order to stop the water flow by 6/28/99 or the OCD would take immediate steps to repair his well and seek reimbursement of funds needed to repair said well.

6/25/99 (cont.) Around 1 P.M. after lunch, Bryan was able to speak to Glen on his cellular phone. Bryan remembers the conversation as follows:

Bryan: "This is Bryan Arrant with the Oil Conservation Division, to whom am I speaking to please? "

Glen: "This is Glen Plemons".

Bryan: "Boy, I am sure glad I am able to get a hold of you ! We have been trying to reach you about your well over in the Cedar Lake area.".....

Glen: (Cutting Bryan off) "Let me tell you something, the BLM, OCD and Devon are the ones responsible for the water flow on that well and I am informing you that I am relieved of all responsibility."

Bryan: " Well it sounds that you have obtained an attorney. I guess your attorney and our attorneys will have to settled this in court."

(Fearing that Glen was about to hang up on me, I ended the conversation by saying):

"I am instructing you that unless you take actions to get a truck to haul water out of the pits by 4 P.M. and take steps to repair your well, we will hold you responsible and repair the well ourselves....."

(Glen immediately hung up on Bryan)

Shortly after Plemon's and Bryan's conversation, Bryan instructed Mike to call Hughes Services and have the pit emptied by 4 P.M. if Glen did not respond. Mike called Hughes Services and the pit was emptied that day. Mike as instructed by Lori and Bryan, called several contractors and received bids over the phone. Mike spoke to Halliburton and Dowell Schumberger Inc. and received bids on running a cement bond log, temperature survey, cement retainer, perforating, etc. in order to have the well repaired. Mike also contacted Key Services, Real Well Service and Pinnacle Well Service and requested bids for work-over units. Bids on a cast-iron bridge plug and cement retainer were also obtained from Kenco Tools. I&W Services, OK Hot Oil and Steve Carter were contacted for hauling water from the location.

6/28/99 First thing in the morning, E.L. met with George Monroe with Key Well Services. They discussed how the pulling unit was to be set up, what additional dirt work was needed, how to rig up the blow out preventor and where to move the pump jack while repair work was being done. Later that afternoon, E.L. meet with George on location and worked on bids.

Bryan and E.L. spoke with Daryl Lowder, Production Superintendent with Devon Energy about shutting in nearby wells around Glen Plemon's well. This was to determine if Devon's well were responsible for the water flow coming out of Plemon's well head. Devon Energy and Burnett Oil complied with request on July 1, 1999.*

* As a result if devon energy and Burnett Oil Company shutting down their injection wells, there was no decrease in the water flow coming from Plemon's well. Both operators turned their wells back on after Plemon's well was repaired.

6/29/99 Mike Stubblefield rode with E.L. to the Friess #5 in order to check the well and wellhead leak. They discussed work to be done by the service companies. Mike called I&W and instructed them to install a dead man on location and also dig a lined 200 bbl surface pit in order to collect water coming from the well-head. Mike also discussed with I&W how a pulling unit could be set up safely on location. E.L. then drove out to Burnett Oil and Gas and talked to Bobby Claborn about shutting in some of their water injection wells and salt water disposal wells that were close to the Friess #5. Bobby told them that he (Burnett) would shut-in the wells discussed. E.L. & Mike then drove to Loco Hills and picked up bid packages from I&W, Hughes, Rick Owens for location work on the Friess #5.

6/30/99 E.L. drove out to the Friess #5 and met with I&W contractors about work needed for the pulling unit. E.L. returned at noon to the location and met with Key Well Services and I&W.

7/01/99 Mike road with E.L. to the Friess #5 and again checked the well and well-head leak and condition of the location for pulling unit rig up.

7/02/99 E.L. drove out to Friess #5 to check well head, well head casing leak and water level of pits.

The following represents daily work down on the Friess Federal #5.

7/06/99 Moved in & rigged up Key Well Service Unit. Pulled out of hole & laid down rods and pump. Pulled out of hole w/2 3/8" tubing. (There was no sign of fluid and /or corrosion of tubing and water flow did not stop when bridge plug was set.) Rigged up with Halliburton E-Z drill bridge plug & set @ 1875', which was above perforations. Pulled up above bridge plug (BP) & pressure tested 5 1/2" casing, BP, & blow out preventors to 300 lbs for 15 minutes. The 5 1/2" casing tested okay. Pulled out of hole with setting tool & tubing. Load 5 1/2" casing with brine. Shut well in overnight

7/07/99 Opened well up with fluid @ surface, Moved in & rigged up Halliburton Wire Line Services & ran temperature log and found water entry @ 570'. Ran cement bond log & found top of cement @ 800'. Rigged down loggers and ran in hole with 5 1/2" perforating gun to 715'. Perforated 5 1/2" casing with 4 shots (1 shot per foot). Rigged wire line service company down & ran in hole with 5 1/2" tension packer and set tool @ 435'. We established circulation to surface between the 5 1/2" x 8 5/8" casing. The rate was @ 4 barrels/min at 70 psi. Started pumping cement & pumped 500 sacks of Class "H" cement at 16.5 lbs/gal. We were successful in stopping water entry, however we failed to circulate cement to surface. Well was shut in over night.

7/08/99 Check well & wellhead and there was no fluid entry. Moved in & rigged up Keltric Slick Line Services. Ran temperature survey and found top of cement @ 400'. Rigged down Keltric Services & moved in & rigged up Hot Oiler in order to pressure test 5 1/2" casing. Pressure tested casing to 300 lbs for 15 minutes. Held Okay. Rigged down hotoiler and released packer. Pulled out of hole with tools and ran in hole with tubing and tagged top of cement inside 5 1/2" casing @ 604'. Well was then shut in over night.

- 7/09/99 Opened up well & pulled out of hole with tubing. Moved in & rigged up Computerlog Wire Line Services. Ran in hole with 5 ½" perforating gun & perferd 5 ½" casing @ 375' with 4 shots (1 shot per foot). Rigged down wire line truck & ran in hole with 5 ½" casing Halliburton tension packer. Set tool @ 200' from surface. Moved in & rigged up Halliburton Cement Service Company. Established an injection rate into perfs of @ 2 barrels/minute at 70 psi. Pumped 4 barrels and established circulation to surface. Between 5 ½" x 8 5/8" casing. Circulated 50 sacks to surface & into pits. Wehh was then shut in over night with 140 lbs psi.
- 7/10/99 Opened well up and released packer. Pulled out of hole with packer. Ran in hole with tubing and tagged top of cement at 338'. Pulled out of hole and laid down tubing and tallied 67 joints and tubing and 1 mud anchor. Shut well in with one joint of tubing (mud anchor) and a bull plug. Installed well head and pack off. Rigged down pulling unit.
- 7/12/99 Checked location and condition of well. Hughes Services move 80 5/8" rods, subs & pump and 67 joints of 2 3/8" tubing to undisclosed warehouse yard in Loco Hills for safe keeping.
- 7/13/99 Chris Williams, District Supervisor at the OCD in Hobbs, called Tim and stated they were shutting in Plemon's wells in Lea County, New Mexico.

As a result of work performed on the Friess Federal #1 we were successful in stopping the water flow.

In addition to this chronological report, please refer to 'e' mailings between Bryan Arrant and the OCD office in Santa Fe regarding the Glen Plemon's situation and certified letters mailed to Glen Plemons.