

From: Martin, Ed, EMNRD
Sent: Friday, February 20, 2009 8:12 AM
To: 'sam billington'
Subject: RE: Catron County Wells

30-003-20040

Follow Up Flag: Follow up
Flag Status: Flagged

Thank you for the info. I will check it out and get back with you.

Ed Martin

District IV Supervisor
New Mexico Oil Conservation Division
1220 S. St. Francis
Santa Fe, NM 87505
505-476-3470 phone
505-476-3462 fax
505-690-2365 cell
ed.martin@state.nm.us

From: sam billington [<mailto:billington.sam@gmail.com>]
Sent: Thursday, February 19, 2009 2:33 PM
To: Martin, Ed, EMNRD
Subject: Re: Catron County Wells

Mr. Ed Martin

I would like to file a complaint against Ridgeway Airzona Oil Company AKA Enhanced Oil Company.

Catron county, the names are CC # 11 and CC# 12. While drilling these wells we hit ground water @ approx

400+ feet, we hit a cavern on both well @ approx 700+ feet, lost circ drilled on down blind w/ no circ not even air was returning to surface, in both well w/ air mist to approx 1400' to 1700' set surface casing, cemented. there was no cement returns to surface, no effort was made to log this well to get cement top, drilled down set production casing. moved off location. This leaves the groundwater zone open to the caverns in both wells.

Thanks, Sam Billington
billington.sam@gmail.com
575-420-3028

On Mon, Feb 16, 2009 at 2:20 PM, Martin, Ed, EMNRD <ed.martin@state.nm.us> wrote:

I am your contact for information on the CO2 wells in question. My contact information is shown below.

Ed Martin

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ed.martin@state.nm.us

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From: Martin, Ed, EMNRD
Sent: Friday, February 27, 2009 1:05 PM
To: Tom White (revtwhite@frontiernet.net)
Subject: FW: Protest and Complaint against Ridgeway Arizona Oil Company AKA Enhanced Oil Resource..

FYI

Ed Martin

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New Mexico Oil Conservation Division
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From: sam billington [<mailto:billington.sam@gmail.com>]
Sent: Friday, February 27, 2009 1:03 PM
To: Martin, Ed, EMNRD
Subject: Fwd: Protest and Complaint against Ridgeway Arizona Oil Company AKA Enhanced Oil Resource..

----- Forwarded message -----

From: sam billington <billington.sam@gmail.com>
Date: Fri, Feb 13, 2009 at 8:14 AM
Subject: Protest and Complaint against Ridgeway Arizona Oil Company AKA Enhanced Oil Resource..
To: Steve.Rauzi@azgs.az.gov
Cc: jdixon@land.az.gov

Mr. Steve Rauzi.

I would like to submit this e-mail as a formal complaint against Ridgeway Arizona Oil Company AKA Enhanced Oil Resources.

Mr. Joe Dixon

I would like to submit this e-mail as a formal protest against Ridgeway Arizona Oil Company AKA Enhanced Oil Resource.

Before I start this complaint-protest I would like to ask one question. Why would an oil company come into Arizona. Drill a bunch of new well and run standard J-55 csg as production casing on a CO2 Wells that will be shut in until a gas line is laid 2-3 years from the time these well were drilled. CO2 will corrode this casing away in that time frame. Just something to think about while reading the rest of this e-mail.

Violations

R12-7-106 None of the wells drilled in 2008 have any identification signs.

R12-7-110 All of the well that we hit subsurface cavern in do not have cement circulated back to surface.

By the primary cement. No logs were run and no remedial cement job was preformed. Subsurface water

zones are not covered by cement and are open to these caverns. Arizonas fresh water is going into these caverns.

R12-7-112 All production casing ran in these well was standard J-55 w/ no CO2 trim, all of the wellhead equipment is standard w/ no CO2 trim. With this type of equipment in and on these wells, there is no way

to keep the CO2 from corroding away the casing and wellhead equipment. This will cause subsurface leaks

of CO2 into freshwater zones and even surface leaks.

R12-7-117 The 11-23-30 well was drill, casing set, payzone was drilled out, tested @ 2.5 mmcf/d, a plug was

set at the bottom of surface casing, a new zone was perforated, fractured w/ sand, tested by circ w/ air, returns

90 bph fresh water, at the same time TEP (POWER PLANT) Subsurface water reservoirs lost one foot of water.

We squeezed off this sets of perforation, we did not drill out the cement and run logs to see if we seal off this

water zone.

I do not have the names of all the well that I talked about above due to the lack of well signs, but I would be happy to show you.

I do not think that Ridgeway Arizona Oil Company AKA Enhanced Oil Resources has any respect for Arizona

oil and gas rules and regulation.

Sam Billington

Senior drilling, completion and workover consultant.

I am certified in New Mexico state court as an expert

in Drilling and completions since 1983, I am certified

in Federal court as an expert in Drilling and completions

since 1993, in last five years I have been certified in 33

different safety classes, I have been to well control school

18 times. I have attended various Management, Environmental

and Industry training courses. I have 37 years experience in this field.

Thank you for reading this e-mail Have you answered the question I ask at the start of this e-mail. I am sure

I forgot more information than I enter, please call 575-420-3028 & let me know that you received this e-mail.

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From: Martin, Ed, EMNRD
Sent: Wednesday, March 04, 2009 10:59 AM
To: Tom White (revtwhite@frontiernet.net)
Subject: FW: Complaints

FYI

Ed Martin

District IV Supervisor
New Mexico Oil Conservation Division
1220 S. St. Francis
Santa Fe, NM 87505
505-476-3470 phone
505-476-3462 fax
505-690-2365 cell
ed.martin@state.nm.us

From: sam billington [mailto:billington.sam@gmail.com]
Sent: Wednesday, March 04, 2009 10:48 AM
To: Martin, Ed, EMNRD
Subject: Re: Complaints

Mr.Martin

I can introduce you to someone I told that we hit water @ 400', this happened while we were drilling the CC#12. He had ask me to let him know if we hit water, he has some land in that part of the state. Are at least I think he has. Mr.Martin I was on location when we hit water and I can introduce you to other that were on location at the same time. The ground water is not covered by cement. And the are losing fresh water into the cavern below. Is there any way I can appeal this.

Thanks for your time, Sam Billington

On Wed, Mar 4, 2009 at 10:02 AM, Martin, Ed, EMNRD <ed.martin@state.nm.us> wrote:

I have talked with others who were involved in the drilling process, and they have not corroborated your story. I am leaving the file open on this one until I can get to the field and do some more investigating. I will keep you posted.

Thanks for the phone info. I will call you if I need some help.

Ed Martin

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New Mexico Oil Conservation Division
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ed.martin@state.nm.us

From: sam billington [mailto:billington.sam@gmail.com]
Sent: Wednesday, March 04, 2009 7:49 AM
To: Martin, Ed, EMNRD
Subject: Complaints

Mr.Martin

I just wanted to check in with you and see if you had an update on the complaints

I filed against Ridgeway Arizona Oil Corp.

Thanks, Sam Billington

ps. If I can help in any way, please call 575-420-3028

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On Mar 12, 2009, at 2:43 PM, Martin, Ed, EMNRD wrote:

FYI

Ed Martin

District IV Supervisor
New Mexico Oil Conservation Division
1220 S. St. Francis
Santa Fe, NM 87505
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505-476-3462 fax
505-690-2365 cell
ed.martin@state.nm.us

From: sam billington [mailto:billington.sam@gmail.com]

Sent: Thursday, March 12, 2009 3:38 PM

To: Martin, Ed, EMNRD

Subject: Complaints against Ridgeway Arizona oil corp, aka Enhanced Oil Resources

Mr. Martin.

I would like to re-file my complaints against Ridgeway Arizona Oil Company.

On the following wells CC# 11 and CC# 12. Under US EPA 805 KAR 9010 Protection of fresh water zones.

Section 4 line 3.

There was no casing run to 50" below void and cemented.
there was no cement from surface to top of void and there
were no top logs run on this well.

Thanks, Sam Billington.

PS You can check Halliburton logs out of Hobbs, New Mexico

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Thanks,

Thomas White
Supervisor - Field Operations
Ridgeway Arizona Oil Corp.
590 S. White Mt. Dr.
St. Johns, AZ. 85936
Bus-(928)337-3230
Mob-(928)242-4133
Fax-(928)337-3162

From: Martin, Ed, EMNRD
Sent: Friday, March 13, 2009 8:32 AM
To: 'sam billington'
Subject: Ridgeway

I have received your re-filing of your complaint related to the Cottonwood Canyon Wells #11 and #12.

Since I have conflicting stories, I will be spending some time at the company offices in St. John's to resolve the matter.

I will keep you posted.

Ed Martin

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New Mexico Oil Conservation Division
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Martin, Ed, EMNRD

From: Martin, Ed, EMNRD
Sent: Monday, April 06, 2009 1:15 PM
To: 'sam billington'
Cc: Fesmire, Mark, EMNRD; 'Thomas White'
Subject: RE: Ridgeway

I have visited the locations, inspected the wells, and have interviewed Ridgeway representatives familiar with the operations and the drilling of these wells. I have also reviewed the well files and can find no evidence to support your contentions.

Thank you for your concerns and the information you have already provided but, in view of the above, I have closed the complaint file in this matter.

Ed Martin

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From: sam billington [<mailto:billington.sam@gmail.com>]
Sent: Monday, April 06, 2009 8:36 AM
To: Martin, Ed, EMNRD
Subject: Re: Ridgeway

Mr. Martin

How are we doing on the complaints I filed against Ridgeway Arizona Oil Corp.

If I need to answer any questions please feel free to call me 575-420-3028.

Thanks, Sam Billington

On Fri, Mar 13, 2009 at 8:31 AM, Martin, Ed, EMNRD <ed.martin@state.nm.us> wrote:

I have received your re-filing of your complaint related to the Cottonwood Canyon Wells #11 and #12.

Since I have conflicting stories, I will be spending some time at the company offices in St. John's to resolve the matter.

I will keep you posted.

Ed Martin

District IV Supervisor

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03-13-2009

To Whom It May Concern:

I am writing in regards to the current case concerning Enhanced Oil Resources also known as Ridgeway of Arizona. I am one of the Drilling Consultants that was part of the project from February 12, 2008 through August 18, 2008. I have already spoken with Mr. Martin concerning this issue we discussed the two wells I was in charge of the NM CC#11 and the NM CC#12.

To thoroughly address the statements Mr. Billington has made about the two wells noted above please refer to my daily reports which can be provided by EOR to you. As dictated on day six of the daily reports, while drilling the NM CC# 12, we drilled 28 Ft. during the course of 30 minutes. During this 28 Ft. of drilling there were no signs of free water to surface. The rig "Patterson 746" shut down for a rig service as part of their normal operations. This put our depth at 413 Ft. If there were any signs of water the information would have been documented just as the loss circulation was documented at 1238 Ft. On the drilling prognosis you can see that we are aware of our water sensitive zones and the lost circulation zones. The "Glorietta SS" is a high porosity lost circulation zone. This does not change the fact that water was never seen at any of the depths that Mr. Billington stated. The casing on this string was set at 1313 Ft. with no signs of producing any water. In addition our well operations are very thoroughly documented on each day of drilling to include chemicals used, safety meetings conducted, accurate depths, and all problems occurred. If you accurately calculate the well pressure you can see that cement would have to be at the least 880 Ft. on the annulus prior to any pressure being seen at surface. Mr. Billington was the drilling superintendent and was over seeing my actions during this time, yet Mr. Billington was not on my location at 6:00 AM the morning of July 14, 2008 as noted on the safety meeting sheets as well as the location sign in sheets and this is when we were at the depth of 400 Ft.

In my experience with the EOR team, working in "wildcat" formations, they have always strived to use best practices and followed all regulatory commission rules. My team and I including all contractors were able to maintain a zero incident level during our operations whilst performing in a timely and cost effective manner we incurred no injuries and minimal environmental impact. The understanding of the importance of any oilfield companies' duty to maintain positive relationships with Federal and State representatives, and land or surface owners has always been my priority.

I am available to speak with any representative from your association in order to clarify the facts I have stated above and answer any questions.

Sincerely,

Timothy Phillips
Drilling Consultant
505-360-8976
664 CR 4990
Bloomfield, NM 87413