BW - 6

Plug & Abandonment

From:	Shallon Finkbone [shallon@iandwinc.com]
Sent:	Tuesday, December 23, 2008 10:43 AM
То:	Price, Wayne, EMNRD; Chavez, Carl J, EMNRD
Subject:	FW:
Attachments:	kevinocdstuff.tif

Mr. Wilson was concerned that you did not receive these back in October when we had originally sent them to you. Please let us know if you are having any problems opening the attachment.

Merry Christmas to you and your families. Thank you

From: Shallon Finkbone [mailto:shallon@iandwinc.com] Sent: Friday, October 31, 2008 9:28 AM To: 'wayne.price@state.nm.us'; 'carlj.chavez@state.nm.us' Subject:

I was asked by Mr. Kevin Wilson with I&W Inc. to send this to you. If you have any • replies please send them to iwcarlsbad@plateautel.net.

Thank you

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Submit 3 Copies To Appropriate District	State of New Mexico	Form C-103
Office	Energy, Minerals and Natural Resources	June 19, 2008
District [1625 N. French Dr., Hobbs, NM 88240		WELL API NO.
District II	OIL CONSERVATION DIVISION	30-015-22574
1301 W. Grand Ave., Artesia, NM 88210 District III		5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.	STATE FEE
District IV 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
87505		
	ES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
	LS TO DRILL OR TO DEEPEN OR PLUG BACK TO A SET FION FOR PERMIT* (FORM C-101) FOR SUCH	Eugenie
PROPOSALS		
1. Type of Well; Oil Well 🔲 G	as Well & Other BRINE Supply	8. Well Number
2. Name of Operator		9. OGRID Number
Itul 2	-NC.	
3. Address of Operator		10. Pool name or Wildcat
P.O. 150	1685, CARISDAD NM 88220	
4. Well Location	.	
Unit Letter <u>M</u> : 9	95 feet from the South line and	641 feet from the West line
Section 17	Township 225 Range 27E	NMPM County Eddy
	11. Elevation (Show whether DR, RKB, RT, GR, et	
	3126 GL	
12. Check Ap	propriate Box to Indicate Nature of Notice	. Report or Other Data
+		, report of other bad
NOTICE OF INT	ENTION TO: SU	BSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	
	CHANGE PLANS	
OTHER:	OTHER:	
13. Describe proposed or complete	ed operations. (Clearly state all pertinent details, a	and give pertinent dates, including estimated date
of starting any proposed work). SEE RULE 1103. For Multiple Completions:	Attach wellbore diagram of proposed completion
or recompletion.	· •	
Pulled All tubi	ng out of well. RAN CIE Circulated cement to	SP IN 7" CASING AND
Set At 456	Circulated coment to	Suptore. Tuesded
dou hale ma	ekee to complete opi	ontion
City ISULE 1144	RACE IC UMPRETE UPI	ERATION
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Spud Date:	Rig Release Date:	
i nereby certify that the information at	pove is true and complete to the best of my knowle	dge and belief.
1/ 4	1.1	
SIGNATURE Reven A	ilson TITLE Operations	MANARCE DATE 10/31/08
	IIILE OPERATTONS	TRAVEGER DATE 10/31/08
Type or print name Kevin h		
For State Use Only		PHONE: 575-885-666
TAT SHELF AR AMI		cell 575-703-204
APPROVED BY:	TITLE	DATE
Conditions of Approval (if any):	TITLE	
(Abioun (II mil))		

CEMENT JOB REPORT

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,19004

MATERIALS FURNISHED BY BJ CEMENT PPG FT3 IR:NIN +2%CACL2 96 14.8 134 6.34 valiable Mix Water 130 BM. Available DispL Fluid 130 BM. Total BZE % EXCESS DEPTH SUZE WGT. TYPE DEPTH GRADE COLLAR DEFTH BZE % EXCESS DEPTH SUZE WGT. TYPE DEPTH GRADE ArX0E TOTAL LAST CASING PKR-CMT RET-BR PL-LINER PERF. DEPTH GRADE ArX0E TOP CONN WELLEL DISPL VOLUNE DEPTH BANDA TYPE O DEPTH SUZE MAX CSO PSI VOLUME UOM TYPE WGT. BUMP PLVG CAL MAX PSI OP. MAX MAX TSC PSI MAX CSO PSI VOLUME UOM TYPE WGT. BUMP PLVG TO RV. SUZE TYMERAD TYPE 0 BLS 0 0 0 3300 2640 0 0 0 <	Bbł MIX WATER		SH-BLOCK	IV. SUPV,	SER	<u> </u>										
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3710 S. FM 303 (808) 229-2087 Sundown, TX 79372



410 East Listo (505) 748-1372 Arisets, Nat 88210-2173

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Company	i&W Inc.	Ċon	ipany Man	Kevin	Date	10/01/2008
Vell Name	Eugenie No.1			7"		
		0.89		·		
ob Description	Set 7" C.t.B.P. at 456.0' with 14 joints.					
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Directions	Go to carlsbad then turn towards loving to I&W yard to location.				<u></u>	
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Cool Type No. 2		КВ			XIO	
Tool Type No. 3		KB	·		Tbg. Gra	
Tool Type No. 4	······································	SN	<u> </u>		Tbg. Size)
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Mileage \$1.25/m	70 Miles r/t	s	87.50	Jts. In	14	
			100.00	Tailpipe	ļ	
RENTAL	7" setting tool	\$	400.00	Jbs. Ourt	3	
SALE	Bucket of thread dope	\$	55.00		<u> </u>	2
sale	7* C.I.B.P.	\$	1,670.00	Average		
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rviceman	Јепту Кларр		TD	0		
Jompany Rep.			PBTD	0		
Sign AFE #		-		0		

From:	Chavez, Carl J, EMNRD
Sent:	Thursday, December 11, 2008 11:42 AM
То:	'iwcarlsbad@plateautel.net'
Cc:	'Shallon Finkbone'; Price, Wayne, EMNRD; Guye, Gerry, EMNRD; Sanchez, Daniel J., EMNRD
Subject:	I & W Eugenie Brine Well C-103 Plug and Abandonment Status (BW-6) Carlsbad

Kevin:

Good morning. Can you please update the OCD on the status of plugging and abandonment of the brine well (API# 30-015-22574) at the I & W Facility? According to OCD records, we received a C-103 dated 7/24/2008 with PA description and indication that the C-103 was verbally approved by Wayne Price OCD District IV.

General OCD conditions for closure of the facility is to implement a subsidence monitoring program and install a seismograph at the facility with monitoring for 30 years with additional financial assurance to ensure that monitoring is maintained.

My Supervisor, Mr. Wayne Price will be in the office next week. Please contact me to discuss any questions that you may have. Also, the OCD is awaiting the final signed C-103 indicating that the well has been properly plugged and abandoned. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Sent: To: Subject: Attachments:

a.

Price, Wayne, EMNRD Friday, October 31, 2008 10:06 AM Chavez, Carl J, EMNRD FW: kevinocdstuff.tif

From: Shallon Finkbone [mailto:shallon@iandwinc.com] Sent: Friday, October 31, 2008 9:28 AM To: Price, Wayne, EMNRD; Chavez, Carl J, EMNRD Subject:

I was asked by Mr. Kevin Wilson with I&W Inc. to send this to you. If you have any replies please send them to <u>iwcarlsbad@plateautel.net</u>.

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Thank you

Office	State of New Mexico	Form C-103
<u>District I</u>	Energy, Minerals and Natural Resources	June 19, 2008
1625 N. French Dr., Hobbs, NM 88240		WELL API NO.
District II 301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	30-015-22574
District III	1220 South St. Francis Dr.	5. Indicate Type of Lease
000 Río Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505	STATE FEE
District IV 220 S. St. Francis Dr., Santa Fe, NM	Banta FC, MWEB7505	6. State Oil & Gas Lease No.
17505		
	ES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
	ALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A	
	TION FOR PERMIT" (FORM C-101) FOR SUCH	EUGENIE
ROPOSALS)	with the Paul of L	8. Well Number
Type of Well: Oil Well	Jas Well & Other BRINE Supply	
. Name of Operator		9. OGRID Number
Z+W:	LNC.	·····
. Address of Operator		10. Pool name or Wildcat
P.O. Bo	X 1685, CARISDAD NM 88220	
Well Location		
Unit Letter M :	195 feet from the South line and	641 feet from the West line
Section 17	Township 225 Range 27E	NMPM County Eddy
	11. Elevation (Show whether DR, RKB, RT, GR, et	(c.)
	3126 GL	
12. Check At	ppropriate Box to Indicate Nature of Notice	e Report or Other Data
TD. Chook H	ppropriate Box to material Mature of Motics	c, Report of Offici Data
NOTICE OF INT		BSEQUENT REPORT OF:
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		RILLING OPNS. P AND A
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DOWNHOLE COMMINGLE		·
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CEMENT JOB REPORT



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EASE & WEL				LOCATION		·			COUNTY-PARISH-BLOCK Eddy New Mexico						
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DISPL. VOI	LUME	DIS	Y_ FLUID	CAL. PS	SI CAL	MAX PSI	OP. MAX	X NU	X TBG F	<u></u>	M	AX CSG	PSI	M	IX
VOLUME	NOM	TYPE	wa	r. BUMP PL	UG TO	REV.	SQ. PSI	RATE	D Op	erator	RAT	ED	Operator	WA	TER
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	<u>i</u>			! 				<u> </u>						<u> </u>	
XPLANATIO	N: TROUBLE :	SETTING TOO	AL, RUNNING	CSG, ETC. PR	NOR TO C	EMENTIN	G: NON	E							
			OATE OFTAL												
		PRESSURE		-						EXP	LANATH	ON			
TIME	PRESSU		RATE	Bol. FLUID	FLUID		FETY MEE	TING: B	CREW					· ·	
TIME HR:MIN.	PRESSU			·····	FLUID	TES	ST LINES		3300 PS	X CC	D. REP.			· ·	
HR:MIN.	· · · ·	RE - PSI	RATE	Bol. FLUID	Į.				3300 PS	X CC			······································	· ·	
HR:MIN. 04:30	· · · ·	RE - PSI	RATE	Bol. FLUID	Į.		ST LINES CULATING	G WELL -	3300 PS RIG	X CC	D. REP.			· · · · · · · · · · · · · · · · ·	
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J#90(14

3710 S. FM 303 (803) 229-2087 Sundown, TX 79372



			9				• •
Company	f&W Inc.	Com	ipany Man	Kevin	Date	10/01/20	08
Vell Name	Eugenie No.1	Csg.	Size & Wt	7"			
ob Description	Set 7" C.t.B.P. at 456.0' with 14 joints.						
lirections	Go to carlsbad then turn towards loving to I&W yard to location.						
ool Type No. 1	7" setting tool	Len	gth of Tools	4.11"	% Tool	<u>, , , , , , , , , , , , , , , , , , , </u>	
ool Type No. 2		KB			XIO		
Fool Type No. 3		KBC			Tbg. Grad		
Tool Type No. 4		SN			Tbg. Size	· · · · · · · · · · · · · · · · · · ·	
Services	Description	1	Cost	ł	1		r
Service Man	10/1/2008	\$	550.00	Jts. On Loc.	17		
Mileage \$1.25/m	70 Miles r/t	s	87.50	Jts. In	14		
				Tailpipe			
NTAL	7" setting tool	\$	400.00		-f		Í
RENTAL				Jts. Out	3		
SALE	Bucket of thread dope	\$	55.00			3	1
sale	7" C.I.B.P.	\$	1,670.00	Average	<u> </u>		İ.
				Subs			
		ł		Tbg. Tally			
				[1] jt bellow	,	12	
				pkr			
				% Tool			
		1		Top Pkr.		3	
	Sub Tota		2 762 50		456.0		
	7.0625% Ta	1 1	2,762.50 195.10		+	j	1
	Tota			landing nipp	**	-20	
Commonte							
Comments		-	Old Perfs				_
			New Perfs	<u>+</u> -	0		
Partition				ļ	0	, 3	
Billing Invoice #	Јепу Кпарр	-	TD				
ompany Rep.	Jeny Kilaph		TD	0			
			PBTD	0		R. MOL	
Sign							
AFE #			DV/T	0		1	

From:	Chavez, Carl J, EMNRD
Sent:	Friday, October 31, 2008 10:05 AM
То:	Gum, Tim, EMNRD
Cc:	Price, Wayne, EMNRD
Subject:	FW:
Attachments:	kevinocdstuff.tif

FYI.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>Carl J. Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Shallon Finkbone [mailto:shallon@iandwinc.com] Sent: Friday, October 31, 2008 9:28 AM To: Price, Wayne, EMNRD; Chavez, Carl J, EMNRD Subject:

I was asked by Mr. Kevin Wilson with I&W Inc. to send this to you. If you have any replies please send them to <u>iwcarlsbad@plateautel.net</u>.

Thank you

	State of New Mexico	Form C-103
	Energy, Minerals and Natural Resources	June 19, 2008
625 N. French Dr., Hobbs, NM 88240		WELL API NO.
<u>District II</u>	OIL CONSERVATION DIVISION	30-015-22574
301 W. Grand Ave., Artesia, NM 88210 District III	1220 South St. Francis Dr.	5. Indicate Type of Lease
000 Rio Brazos Rd., Aztec, NM 87410		STATE FEE
District IV	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
220 S. St. Francis Dr., Santa Fe, NM		
7505	CO AND DEPONTS ON WELLS	7 Land Name of Unit Associate Name
	ES AND REPORTS ON WELLS LS TO DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name
	TION FOR PERMIT' (FORM C-101) FOR SUCH	Fuancia
ROPOSALS.)		Lagente
. Type of Well; Oil Well 🔲 🛛 🖸	ias Well & Other BRINE Supply	8. Well Number
Name of Operator		9. OGRID Number
IT W 3	ENC.	
. Address of Operator		10. Pool name or Wildcat
· -	C 1685, CARISDAD NM 882	
N/ 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	CIGOS, CARCIDORG IVM 880	
. Well Location		
Unit Letter : •	195 feet from the South line and	1 64 feet from the West line
Section 17	Township 225 Range 27E	NMPM County Edd V
	11. Elevation (Show whether DR, RKB, RT, GI	etc.)
	3126 GL	
and the memory with a process strain of a strain strain strain and strain a strain a		
12. Check Ap	opropriate Box to Indicate Nature of No	lice, Report or Other Data
NOTICE OF INT	_	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	WORK 🛛 ALTERING CASING 🗍
EMPORARILY ABANDON	CHANGE PLANS	E DRILLING OPNS.[] P AND A 🛛 🕅 🎽
	MULTIPLE COMPL	_
OTHER:		п
13. Describe proposed or comple	and operations. (Clearly state an pertinent detail	ls, and give pertinent dates, including estimated date
	k). SEE RULE 1103. FOR MUIDPLE Completion	is: Attach wellbore diagram of proposed completion
or recompletion.	r r	
or recompletion.		
or recompletion. Pulled All tub. Set At 456	ng out of well. RAN C. Circulated cement	BP IN 7"CASING AND to surface. Installed
or recompletion. Pulled All tub. Set At 456	ng out of well. RAN C. Circulated cement	BP IN 7"CASING AND to surface. Installed
or recompletion. Pulled All tub, Set At 456		BP IN 7"CASING AND to surface. Installed
or recompletion. Pulled All tub, Set At 456	ng out of well. RAN C. Circulated cement	BP IN 7"CASING AND to surface. Installed
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or recompletion. Pulled All tub, Set At 456	ng out of well. RAN C. Circulated cement	BP IN 7"CASING AND to surface. Installed
or recompletion. Pulled All tubi Set At 456 dRy hole ma	ng out of well. RAN C. Circulated cement	BP IN 7"CASING AND to surface. Installed
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or recompletion. Pulled All tubi Set At 456 CRY hole MA	ng out of well. RAN C. Circulated cement RKER to complete o	BP IN 7"CASING AND to surface. Installed
or recompletion. Pulled All tubi Set At 456 dRy hole MA	Ng out of well. RAN C. Circulated cement RKER to complete o	BP IN 7"CASING AND to surface. Installed peration.
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CEMENT JOB REPORT



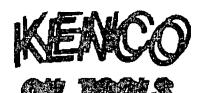
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CUSTOMER	1 & W Inc				DATE	01-0	CT-08	F.R	# 52611	0219)		SER	V. SUPV,	JUSTIN	L CARTV	RIGHT
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DISTRICT						LING C	ONTRACI	TORI	RIG #					E OF JOB Luc & Aban	100		
Artesta SIZE 8	TYPE OF	PLU	ĢS			ARDW/					Pt	YSICAL		RY PROP			
									SACKS OF		URRY	SLURF		WATER	PUMP	Bb	
·			· †						CEMENT		VGT PG	YLD FT ³		GP3	TIME HR:MIN	SLURR	WATER
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3710 S. FM 303 (808) 229-2087 Sundown, TX 79372



					Date	10/01/2008
Company	I&W Inc.	Compa	any Man	Kevin	Date	10/01/2008
ell Name	Eugenie No.1	Csg. 5	ize & Wt	7"	<u> </u>	
b Description	Set 7" C.I.B.P. at 456.0' with 14 joints.				• • • • • • • • • • • • • • • • • • •	
·····						
	Go to carlsbad then turn towards loving to I&W			· · · · · · · · · · · · · · · · · · ·		
irections	yard to location.					
ool Type No. 1	7" setting tool	Lengt	n of Tools	4.11"	% Tool	
ool Type No. 2		КВ			X/O	
ool Type No. 3		KBC			Tbg. Grad	de
ool Type No. 4		SN			Tbg. Size	·
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lileage \$1.25/m	70 Miles r/t	\$	87.50	Jts. In	14	
1				Tailpipe		4
_NTAL ENTAL	7" setting tool	\$	400.00	Jbs. Out	3	
ALE	Bucket of thread dope	\$	55.00			
aie	7" C.I.B.P.	\$	1,670.00	Average		2
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rviceman	Јеггу Кларр	1	TD	0		
ompany Rep.						
Sign		<u> </u>	PBTD	0	···· ····	— <u>:</u>
AFE #		1	DV/T	0		r.

From: Sent: To: Attachments: Shallon Finkbone [shallon@iandwinc.com] Friday, October 31, 2008 9:28 AM Price, Wayne, EMNRD; Chavez, Carl J, EMNRD kevinocdstuff.tif

I was asked by Mr. Kevin Wilson with I&W Inc. to send this to you. If you have any replies please send them to <u>iwcarlsbad@plateautel.net</u>.

Thank you

•

Submit 3 Copies To Appropriate District Office	State of New Mexico	Form C-103
District [Energy, Minerals and Natural Resources	June 19, 2008 WELL API NO.
1625 N. French Dr., Hobbs, NM 88240 District II		30-0/5-22574
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
District III 1000 Rio Brazos Rd., Aztee, NM 87410	1220 South St. Francis Dr.	STATE FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
87505 SUNDRY NOT	ICES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPO	SALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A	. بسب
DIFFERENT RESERVOIR. USE "APPLI PROPOSALS.)	CATION FOR PERMIT' (FORM C-101) FOR SUCH	Eugenie
1. Type of Well: Oil Well	Gas Well & Other BRINE Supply	8. Well Number
2. Name of Operator IVU		9. OGRID Number
3. Address of Operator	LNC.	10. Pool name or Wildcat
	OX 1685, CAR/ODAD NM 8822	
4. Well Location		
Unit Letter M:	995 feet from the South line and	
Section 17	Township 225 Range 27E 11. Elevation (Show whether DR, RKB, RT, GR,	NMPM County Eddy
	3126 GL	elc.)
12 Check	Appropriate Box to Indicate Nature of Notic	ce Report of Other Data
		JBSEQUENT REPORT OF:
	PLUG AND ABANDON CHANGE PLANS COMMENCE	ORK ALTERING CASING DRILLING OPNS. P AND A
PULL OR ALTER CASING		
OTHER:	OTHER:	φ
13. Describe proposed or com	pleted operations. (Clearly state all pertinent details	, and give pertinent dates, including estimated date
of starting any proposed w or recompletion.	ork). SEE RULE 1103. For Multiple Completions:	Attach wellbore diagram of proposed completion
of recompression.	· · · ·	
011.1.11.1.1	DING out of well. RAN CI.	PD ul D'lancula and
•	\sim	•
Set At 456	. Circulated cement t	D SURFACE, TUSFOlled
Cirly hole m	arker to complete of	eration.
1		
Spud Date:	Rig Release Date:	
·		
I hereby certily that the information	above is true and complete to the best of my knowl	ledge and belief.
1/ 1	ulia a li	10 solution
SIGNATURE Run I	Kilson TITLE Operations	MANAGER DATE 10/31/08
Type or print name Kevin	<i>4 - 1</i>	PHONE: 575-885-6663
For State Use Only	FECHALIN S mus address,	cell 575-203-2041
APPROVED BY: Conditions of Approval (if any);		DATE

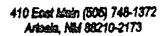
CEMENT JOB REPORT



	1 & W Inc			DATE 01-0	CT-08 [F.I	R.# 5261	10219	SEF	RV. SUPV.	JUSTIN	L CARTIN	/RIGHT
LEASE & WELL NAME				LOCATION					COUNTY-PARISH-BLOCK			
EUGINE #1	·	<u> </u>	. <u> </u>	DRILLING CO					Eddy New Mi E OF JOB			· ··· ···· ·
Artesta				PULLING					Phat & Abane	100		<u></u>
SIZE	TYPEOEF	LUGS		SG-HARDW/	RE	SACKS	SLURRY	HYSICAL SLU	WATER	PUMP	Bb	864
_ 	····			<u></u>		OF CEMENT	WGT PPG	YLD FT ³	GPS	TIME HR:MIN	SLURR	
		MATERIALS F	URNISHED BY	BJ		ļ	! 	 		 ;	; }	_ <u></u>
+2%CACL					130 B bl.	95	14.8	1.34	6.34		<u></u>	2213.: 2213.:
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<u>ا مع</u> د معدد ا	AST CASIN	<u> </u>	PKR	-CMT RET-BI	PL-LINER	PE	RF. DEPTH	TOP	CONN		WELL FL	DIL
SIZE WO	TTYPE			ND & TYPE	DI	EP <u>TH TO</u> D	P BTM	<u>\$IZE</u> 2.875	THREAD	TYPE_		WGT. 8.
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						-						
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Y _N			''		·	[Y] <u>N</u>		the com				

3710 S. FM 303 (808) 229-2087 Sundown, TX 79372





					Date	10/01/2008
ompany	&W Inc.	Compa	any Man	Kevin	Dara	10/01/2000
			· · · · · ·			
Vell Name	Eugenie No.1	Csg. S	iza & WL	7"		
ob Description	Set 7" C.i.B.P. at 456.0' with 14 joints.		<u>=</u>			
			• <u>•••••</u> ••••			
Directions	Go to carlsbad then turn towards loving to I&W yard to location.			·····	,	
Tool Type No. 1	7" setting tool	Lengt	h of Tools	4.11"	% Tool	
Tool Type No. 2		KB			XIO	
Tool Type No. 3		KBC			Tbg. Gra	
Tool Type No. 4		SN		·	Tbg. Size	}
Services	Description	I I	Cost	1	1	la n
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Mileage \$1.25/m	70 Miles r/t	s	87.50	Jts. In	14	
				Tailpipe		
TAL	7" setting tool	\$	400.00	F.F.	+	
RENTAL				Jbs. Out	3	
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sale	7* C.I.B.P.	\$	1,670.00	Average		
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<i>_o</i> mpany Rep.		-	PBTD	0		
Sign						
<u>AFE #</u>			DV/T	0		<u> </u>

From: Sent: To: Subject: Chavez, Carl J, EMNRD Thursday, October 02, 2008 11:42 AM 'Lisa Rice' RE: Eugenie #1 (BW-006)

Lisa:

I sent a final signed OCD version to Randall on 9/30 that should have addressed the message below. Thanks.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Lisa Rice [mailto:lisa@iandwinc.com] Sent: Tuesday, September 30, 2008 9:47 AM To: Chavez, Carl J, EMNRD Subject: RE: Eugenie #1 (BW-006)

, Mr. Chavez

Re: BW-6 Plug and Abandonment

There was a C-103 submitted on July 24, 2008 From a Mr. Randall L. Harris regarding the plugging and abandoning of the Eugenie. I would be more than glad to re-submit a copy to you and Mr. Gum if needed. Via fax, E-mail or anyway needed. Please contact me as soon as possible as to what you would like for us to do regarding this matter.

Thank you for your time regarding this matter, and I look forward to hearing from you.

Lisa Rice

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Tuesday, September 30, 2008 8:40 AM
To: iwcarlsbad@plateautel.net
Cc: lisa@iandwinc.com; Lowells@pvtnetworks.net; Price, Wayne, EMNRD; Gum, Tim, EMNRD
Subject: FW: Eugenie #1 (BW-006)

Kevin, et. al:

Re: BW-6 Plug and Abandonment

The OCD became aware of your intent to plug and abandon the I&W Brine Well yesterday. You had indicated that you had a verbal approval from Wayne Price. According to Wayne, this is NOT the case.

Please submit an OCD C-103 Form to me and Mr. Tim Gum of the OCD District Office at outlining your plans for the plug and abandonment method for the OCD to review and approve. Once approved, and when the plug and abandonment is completed, another C-103 Form with exact details of the plug and abandonment is required for the file.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Price, Wayne, EMNRD
Sent: Tuesday, July 22, 2008 4:19 PM
To: lisa@iandwinc.com
Cc: lowells@pvtnetworks.net; Chavez, Carl J, EMNRD; Macquesten, Gail, EMNRD; Altomare, Mikal, EMNRD; Gum, Tim, EMNRD; Sanchez, Daniel J., EMNRD; Fesmire, Mark, EMNRD
Subject: FW: Eugenie #1 (bw-006)

Attention I&W: In addition, please make sure any make-up water added is brine water (not fresh water). Monitor volumes released or added and record pressure weekly. OCD would like to see 50 psig, plus and minus 10 psig, maintained at the well head monitored on the casing. Please note we have recommended a changed from 100 psig to 50 psig. The reason is to make sure the formation frac gradient is not exceeded if you experience salt creep and a pressure build-up. Please notify OCD immediately of any surface cracks, subsidence, or any anomaly in the system.

Please confirm you, Kevin Foster and the owners have received this E-mail and shall be made part of your existing permit and attached thereto.

From: Lisa Rice [mailto:lisa@iandwinc.com] Sent: Tuesday, July 22, 2008 3:30 PM To: Price, Wayne, EMNRD Subject: Eugenie #1 (bw-006)

New Mexico state Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505 July 22, 2008

Attn: Mr. Wayne Price Environmental Bureau Chief

This Letter is solely to inform you and the oil conservation division that I &W, Inc. has voluntarily and permanently shut in our Eugenie #1 Brine well (BW-006).

We will continue to monitor the pressure on the well on a daily basis not allowing the pressure to drop below 100 lbs. In the event of any unforeseen problems I & W, Inc. will immediately contact your office.

Sincerely,

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This inbound email has been scanned by the MessageLabs Email Security System.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

From:	Chavez, Carl J, EMNRD
Sent:	Tuesday, September 30, 2008 2:16 PM
То:	'Randall Harris'
Cc:	'iwcarlsbad@plateautel.net'; 'lisa@iandwinc.com'; Gum, Tim, EMNRD; Price, Wayne, EMNRD
Subject:	BW-6 C-103 Plug and Abandonment Approval w/ Conditions
Attachments:	BW-6 PA Approval w Conditions 9-30-08.tif

Randall:

.

Please find attached the OCD's approval of your C-103 Form. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

	•			
· ·	· .			
Submit 3 Copies To Appropriate District	State of New Mex			Form C-103
District I 1625 N. French Dr., Hobbs, NM 882 40	Energy, Minerals and Natura	al Resources	WELL API NO.	May 27, 2004
District II 1301 W. Grand Ave., Artesia, NM-88210	POLE PONSERVATION I	DIVISION	30-015-22574 5. Indicate Type of Lease	
1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Franc	bis Dr.	STATE FE	
District IV 2005 1220 S. St. Francis Dr., Santa Fe, NM 28 87505	PM 3 23 anta Fe, NM 875	105	6. State Oil & Gas Lease No	
SUNDRY NOTICE	S AND REPORTS ON WELLS	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	7. Lease Name or Unit Agre	ement Name
(DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT	ION FOR PERMIT" (FORM C:101) FOF	G BACK TO A R SUCH	Eugenie	
	s Well 🛛 Other Brine Supply	_	8. Well Number 1	
2. Name of Operator 1 & W, Inc	AUG	- 6 2008	9. OGRID Number	
3. Address of Operator	OCD	ARTESIA	10. Pool name or Wildcat	
P.O. Box 1685, Carlsbad, NM 88220 4. Well Location			l	
· · · · ·	995 feet from the South	line and641	feet from the	stline
Section	Township Ran	ıge	NMPM County	CERTIFICATION OF THE PARTY OF
	i. Elevation (Show whether DR, 3126 GL	кк <i>В</i> , кТ, GR, etc.		
Pit or Below-grade Tank Application Or Cl	losure			
Pit typeDepth to Groundwater Pit Liner Thickness: mil	Distance from nearest fresh wa Below-Grade Tank: Volume		ince from nearest surface water	
	propriate Box to Indicate Na			
NOTICE OF INTE			SEQUENT REPORT	λF.
	PLUG AND ABANDON	REMEDIAL WOR	RK 🗌 ALTERIN	IG CASING
<u> </u>	CHANGE PLANS	COMMENCE DR CASING/CEMEN	ILLING OPNS. 🗍 – P AND A	
— — — — — — — — — — — — — — — — — — —				<u> </u>
OTHER: 13. Describe proposed or complete	ed operations. (Clearly state all p	OTHER: ertinent details, ar	nd give pertinent dates, includi	ng estimated date
of starting any proposed work)). SEE RULE 1103. For Multiple	e Completions: A	ttach wellbore diagram of prop	posed completion
or recompletion.				
Will set CIBP at base of casing 7" casi	ing 456' circulate cement from CI	BP to surface with	h approximately 80 sxs Class (C 2% CaCl 1.32
CuFt per sack. This plan verbally appro				
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	ана (тр. 1997) Ал			
· · ·				•
		<u> </u>		tet e pu pit en balan
I hereby certify that the information ab grade tank has been will be constructed on the	overs true and complete to the be], a general permit [ge and defiet. I further certify the Jor an (attached) alternative OCD	-approved plan .
SIGNATURE			1& WDATE07/2	
	-			
Type or print name Randall/L Harri For State Use Only	is E-mail addres	ss: rharrisnm@: @0	iol.com Telephone No. 575.3	
APPROVED BY	d for record	FACE	DATE_	0/6/00
•	MOCD		ι ('/
6 AD	in a la l			

C-103 Eugenie Well No. 1 (BW-6) Conditions of Approval

1 .

1) Cement must be circulated back to surface under adequate pressure.

2) A plug and abandonment marker shall be set.

3) Final C-103 Form shall be submitted within 30 days of plug and abandonment with specific details.

From: Sent: To: Subject: Lisa Rice [lisa@iandwinc.com] Tuesday, September 30, 2008 9:47 AM Chavez, Carl J, EMNRD RE: Eugenie #1 (BW-006)

Mr. Chavez

Re: BW-6 Plug and Abandonment

There was a C-103 submitted on July 24, 2008 From a Mr. Randall L. Harris regarding the plugging and abandoning of the Eugenie. I would be more than glad to re-submit a copy to you and Mr. Gum if needed. Via fax, E-mail or anyway needed. Please contact me as soon as possible as to what you would like for us to do regarding this matter.

Thank you for your time regarding this matter, and I look forward to hearing from you.

Lisa Rice

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Tuesday, September 30, 2008 8:40 AM
To: iwcarlsbad@plateautel.net
Cc: lisa@iandwinc.com; Lowells@pvtnetworks.net; Price, Wayne, EMNRD; Gum, Tim, EMNRD
Subject: FW: Eugenie #1 (BW-006)

Kevin, et. al:

Re: BW-6 Plug and Abandonment

The OCD became aware of your intent to plug and abandon the I&W Brine Well yesterday. You had indicated that you had a verbal approval from Wayne Price. According to Wayne, this is NOT the case.

Please submit an OCD C-103 Form to me and Mr. Tim Gum of the OCD District Office at outlining your plans for the plug and abandonment method for the OCD to review and approve. Once approved, and when the plug and abandonment is completed, another C-103 Form with exact details of the plug and abandonment is required for the file.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Price, Wayne, EMNRD
Sent: Tuesday, July 22, 2008 4:19 PM
To: lisa@iandwinc.com
Cc: lowells@pvtnetworks.net; Chavez, Carl J, EMNRD; Macquesten, Gail, EMNRD; Altomare, Mikal, EMNRD; Gum, Tim, EMNRD; Sanchez, Daniel J., EMNRD; Fesmire, Mark, EMNRD
Subject: FW: Eugenie #1 (bw-006)

Attention I&W: In addition, please make sure any make-up water added is brine water (not fresh water). Monitor volumes released or added and record pressure weekly. OCD would like to see 50 psig, plus and minus 10 psig, maintained at the well head monitored on the casing. Please note we have recommended a changed from 100 psig to 50 psig. The reason is to make sure the formation frac gradient is not exceeded if you experience salt creep and a pressure build-up. Please notify OCD immediately of any surface cracks, subsidence, or any anomaly in the system.

Please confirm you, Kevin Foster and the owners have received this E-mail and shall be made part of your existing permit and attached thereto.

From: Lisa Rice [mailto:lisa@iandwinc.com] Sent: Tuesday, July 22, 2008 3:30 PM To: Price, Wayne, EMNRD Subject: Eugenie #1 (bw-006)

New Mexico state Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505 July 22, 2008

Attn: Mr. Wayne Price Environmental Bureau Chief

This Letter is solely to inform you and the oil conservation division that I &W, Inc. has voluntarily and permanently shut in our Eugenie #1 Brine well (BW-006).

We will continue to monitor the pressure on the well on a daily basis not allowing the pressure to drop below 100 lbs. In the event of any unforeseen problems I & W, Inc. will immediately contact your office.

Sincerely,

Kevin Wilson Operations Manager 1 & W, Inc.

This inbound email has been scanned by the MessageLabs Email Security System.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

This inbound email has been scanned by the MessageLabs Email Security System.

From:Chavez, Carl J, EMNRDSent:Tuesday, September 30, 2008 8:40 AMTo:'iwcarlsbad@plateautel.net'Cc:'lisa@iandwinc.com'; 'Lowells@pvtnetworks.net'; Price, Wayne, EMNRD; Gum, Tim, EMNRDSubject:FW: Eugenie #1 (BW-006)

Kevin, et. al:

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Sincerely,

Kevin Wilson Operations Manager 1 & W, Inc.

This inbound email has been scanned by the MessageLabs Email Security System.

. 4

From:Price, Wayne, EMNRDSent:Friday, July 25, 2008 1:48 PMTo:rharrisnm@aim.comCc:Fesmire, Mark, EMNRD; Sanchez, Daniel J., EMNRD; Chavez, Carl J, EMNRD; Gum, Tim,
EMNRD; Jones, Brad A., EMNRD; Griswold, Jim, EMNRD; Hansen, Edward J., EMNRD;
Lowe, Leonard, EMNRD; VonGonten, Glenn, EMNRDSubject:RE: I & W Brine

Absolutely denied!

From: rharrisnm@aim.com [mailto:rharrisnm@aim.com] Sent: Friday, July 25, 2008 11:14 AM To: Price, Wayne, EMNRD Subject: I & W Brine

Wayne,

Notice of intent to plug the I&W Brine well, sent to you and the Artesia office today.

I have reviewed the history of the I&W Brine well and I am not quite sure why the State is so adamant about shutting them down. Let me review, the Jims Brine well had casing run to 416' with only <u>50 sxs</u> <u>cement</u>. The I&W well has 9 5/8" set at 349' with circulated cement and 7" set at 456' with cement circulated. The well has never failed to hold pressure or given any other reason for concern. The sonar of the cavity ran is 2007 showed no abnormalities.

In addition the economic loss while going through the permitting process for a new brine well not to mention the cost of the new facility.

I would like to suggest that the OCD review the information on the I&W well and perhaps allow them to continue until a new facility is approved.

Randall Harris

The Famous, the Infamous, the Lame - in your browser. Get the TMZ Toolbar Now!

From:Price, Wayne, EMNRDSent:Tuesday, July 22, 2008 4:19 PMTo:Iisa@iandwinc.comCc:Iowells@pvtnetworks.net; Chavez, Carl J, EMNRD; Macquesten, Gail, EMNRD; Altomare,
Mikal, EMNRD; Gum, Tim, EMNRD; Sanchez, Daniel J., EMNRD; Fesmire, Mark, EMNRDSubject:FW: Eugenie #1 (bw-006)

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July 22, 2008

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Sincerely,

Kevin Wilson Operations Manager 1 & W, Inc.

From:Price, Wayne, EMNRDSent:Tuesday, July 22, 2008 3:58 PMTo:Lisa RiceCc:Chavez, Carl J, EMNRDSubject:RE: Eugenie #1 (bw-006)

Please correct the maintained pressure to 50 psig at the surface. Please respond and acknowledge.

From: Lisa Rice [mailto:lisa@iandwinc.com] Sent: Tuesday, July 22, 2008 3:30 PM To: Price, Wayne, EMNRD Subject: Eugenie #1 (bw-006)

July 22, 2008

New Mexico state Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

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Sincerely,

Kevin Wilson Operations Manager 1 & W, Inc.

From:	Chavez, Carl J, EMNRD
Sent:	Tuesday, May 05, 2009 3:13 PM
To:	VonGonten, Glenn, EMNRD; Griswold, Jim, EMNRD
Cc:	Macquesten, Gail, EMNRD
Subject:	OCD I&W Brine Well Facility (BW-006) Field Notes (7/18/2008) and Follow-up Phone Call
	from Santa Fe w/ Gail Macquesten & Mikal Altmore on 7/22/2008

Glenn & Jim:

This is all I have in my notes......

Facility Meeting on Friday 7/18/08:

12:00:

Wayne Price (OCD) and Carl Chavez (OCD) met with Kevin Wilson (I&W) at the I&W Facility in Carlsbad, NM.

OCD requested to know the status of the subsidence monitoring that OCD had been working with I&W on for past couple of years?

Informed I&W about the recent JWS brine well collapse (BW-005) and expressed concerns about I&Ws brine well being much shallower and of even more concern that the JWS brine well.

12:17:

Discussed sonar test conducted ~ 8 mos. from date of meeting.

OCD discussed recent work plan with subsidence monuments and bench marks that OCD had reviewed and submitted comments to I&W on.

12:27:

OCD discussed the closest proximity of irrigation canal shut-off at Avalon Creek was 15 – 20 miles away in the event of a collapse, significant drainage would occur possibly into the collapsed cavern and would not be able to stop it. Farmers are concerned about water supply for irrigation.

Depth to top of salt ~ 283' bgl with only 200' of overburden and a cavern diameter ~160'.

OCD expressed that it wanted the facility to shut-down based on the risk to public health and the environment from the I&W brine well.

Borrowed I&W's copy of the recent sonar to review over lunch.

12:50:

Kevin Wilson requested that he speak to Lowell Erby (I&W Owner) and get back with OCD. OCD departed to return again at 14:00.

14:00:

OCD expressed that the sonar test from 1996 depicted the top of the cavern to be wide.

14:30:

Kevin Wilson expressed that if it was an option for I&W to continue operations and could increase subsidence monitoring to bi-monthly?

I&W pondered the idea of a voluntary shut-down of operations due to the risk to public health and the environment.

14:36:

OCD inspected monuments. Eugenie No. 2 Well PA'd (N 32.38900 W 104.21845 w/ EL. 3239) Eugenie No. 1 Well in service (N 32.38811 W 104.21811 w/ EL. 3151) OCD concerned about the location of survey from this well.

14:48:

Inspected Carlsbad Irrigation District Bench Mark Datum EL. 3132.15 OCD paced the distance from canal to I&W brine well and distance was ~ 160 ft. Brine well producing ~ 200 – 300 bbl./day

15:00:

OCD took inspection photos of violations at the facility.

15:12

Eugenie No. 2 is about 66 ft. from roadway.

15:15:

Kevin Wilson said he'd talk with Lowell Erby (Owner) and go out to BW-005 Jims Water Service to see what collapse looks like.

15:18:

Discussed voluntary shut-down. End.....

Follow-up from Santa Fe on Tuesday 7/22/08:

10:14:

OCD Personnel: Wayne Price, Gail Macquesten and Carl Chavez call I&W Personnel Kevin Wilson and Lowell Erby (Owner)

OCD expressed extreme concern about possible collapse at BW-6.

OCD indicated that I&W has been negligent in implementing subsidence monitoring at the facility even though OCD tried to work with I&W.

OCD revealed that sonar test indicated a large cavern was present with similarity with Jims Water Service BW-5 and the potential for threat to public health and safety. The irrigation canal could drain into collapsed salt cavern with about 20 miles of drainage that could not be stopped before draining into collapsed cavern. There would be major economic impact to farmers relying on irrigation water for their crops.

OCD suggested to Kevin Wilson that he talk with Lowell Erby (Owner) about a voluntary shut-down of the facility. Kevin said that he had spoken to the owner since the last meeting in Carlsbad, but he hasn't heard back about it.

Lowell said sonar test was ok. according to George Parchman. OCD indicated that the sonar was of concern as there is 180 ft. of roof. Almost the same as Jims Water Service (BW=5) that collapsed.

Lowell wanted to know who determines when a brine well is unsafe? He thought it was the state that was supposed to review and deem well unsafe? They've been submitting reports. Wayne Price said no this is the responsibility of the owner/operator to determine when the well is unsafe. OCD says I&W has not implemented subsidence monitoring. Owner says I&W was working toward it.

OCD asked if I&W was willing to shut-in? Owner says BW-6 makes good brine. I&W under impression that OCD was monitoring reports.

OCD for the record told the owner that the OCD has major concerns about his facility.

Owner states that he hates to shut-in well and have to turn it back on again later.... it is difficult to do.

Owner provides e-mail address: <u>lowells@pvtnetworks.net</u> for future communications.

Wayne Prices states that the OCD understands that the owner does not want to shut-down, but wants sonar test evaluated and if situation warrants, I&W will shut down.

OCD asks how long for sonar test to be evaluated? Owner will talk to Sonar company. Wayne Price provides his e-mail address and phone number.

Attorney Meeting 10:29:

I&W currently producing 20,000 bbl./month (Lowell Erby).

Mark Fesmire (OCD Director) wants Compliance Order or Emergency Order to make I&W shut-in well.

An Enforcement Order (EO) from Director would only last from 15-20 days. Have to file EO and application for eharing to be heard with expedited hearing within 2 weeks.

OCD opinion that facility needs to be PA and shut-down as the roof cavern is about 180' in diameter.

At an EO Hearing, must prove you can start back up and operate safely.

EO is under the Oil & Gas Act.

ACO is under the Water Quality Act w/ 30 days to respond and enter into an agreed order.

OCD preparing EO, ACO under WQA to enter into agreed order to respond by tomorrow.

10:43 Call to Lowell Erby:

Gail Macquesten will prepare EO to shut-in well, which will last from 15 to 20 days.

Presume ACO WQA will revoke permit/ACO.

Another option is a voluntary order to shut-in.

Lowell Erby will consider this and call back in 30 minutes or by 13:00 and talk to Wayne Price.

13:07:

Wayne Price, Carl Chavez, Mikal Altmore, and Gail Macquesten call I&W. Busy signal.

When I&W was reached, informed the OCD that it had shut-in production at 12:00.

I&W would like consultant to review sonar and is interested in drilling another brine well. OCD says that I&W should shutin indefinitely. Send Sundry Notice to the OCD.

Wayne Price directs I&W to fill cavern with brine water and keep <= 100 psig on the cavern. If pressure decreases, no fresh water only brine water. OCD will evaluate PA Sundry Notice.

I&W is on notice that there is no insurance coverage.

13:13:

OCD waits for e-mail. Message to Mark Fesmire from Wayne Price.

End.....

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3490 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")