OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (808) 334-8178 Fax (808)234-8170

GARY E. JOHNSON GOVERNOR

JENNIFER A. SALISBURY CABINET SECRETARY

January 2, 1997

Rand Carroll General Counsel EMNRD 2040 S Pacheco Santa Fe NM 87505

RE: Environmentally Hazardous Water flows

Dear Rand:

The following King Oil Company wells have water flows that are running down the draws and the draws connect to the San Juan River and they are hazards to the environment:

Joella #1	H-05-30N-17W	30-045-09993
Navajo G #3	H-05-30N-17W	30-045-60234
Joella #2	A-05-30N-17W	30-045-10027
Joella #1X	H-05-30N-17W	30-045-09997

These wells are on Navajo land and are orphan wells with no operator. According to our phone conversation, I asked for bids from P&A contractors to P&A the wells on an emergency basis. Due to the unknown downhole conditions, I asked for day work bids with a power swivel and a reverse pit.

Triple P was the only contractor who had a rig available and turned in a bid. We plugged the Navajo G #3, Joella #1 and Joella #2 which were plugged and had to be drilled out.

The Joella #1X had tubing cemented inside the 5 ½ " casing. Rather than try to drill out the cement, I had a backhoe dig down as far as he could (approx. 13') and cut off the casing below the cement. After replacing the casing, we installed a bull plug and a casing valve and shut off the water flow. The well will be taken off emergency status and added to the list of wells to be prioritized.

Sincerely,

Johnny Robinson

Deputy O&G Inspector

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cc: Well files