

## Phillips, Dorothy, EMNRD

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**From:** Macquesten, Gail, EMNRD  
**Sent:** Monday, March 02, 2009 9:53 AM  
**To:** Phillips, Dorothy, EMNRD  
**Subject:** research for case on Orbit

Hi Dorothy- I'm doing a plugging case on the wells operated by Orbit Petroleum, Inc. (OGRID 227083). When you have a chance, would you please research the following for me:

1. What financial assurances does Orbit have? Please pull the file(s) for me so I can copy the relevant documents.
2. I think we plugged the State BA #001 and #002, but we haven't yet done the final cleanup to get them off the list. Could you tell me when we plugged those wells, and how much we spent? I don't think they paid us back (I think David is fighting with them in the bankruptcy court about this.) Did we pull their financial assurance? The APIs are 30-041-10003 and 30-041-20048.

Thanks- Gail

## Inactive Well Additional Financial Assurance Report

227083 ORBIT PETROLEUM, INC.

Total Well Count: 8

Printed On: Monday, March 02 2009

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/Inj	Inactive Additional Bond Due	Measured Depth	Required Bond Amount	Bond Required Now	Bond In Place	In Violation
33822	ARCHER #001	P	K-17-07S-34E	K	30-041-20787	O	10/2003	11/01/2005	4350	9350	Y	0	Y
	ARCHER #002	P	L-17-07S-34E	L	30-041-20798	O	10/2003	11/01/2005	4325	9325	Y	0	Y
33666	BROWN 51 #001	F	D-19-09S-38E	D	30-025-07061	O	06/2001		5011			0	
	BROWN 51 #002	F	F-19-09S-38E	F	30-025-21703	O	06/2001		5021			0	
33780	LINE STATE #001	S	2-16-08S-38E	G	30-041-20451	O	09/2003	10/01/2005	4910	9910	Y	0	Y
33826	SIEBER #001	P	C-17-07S-34E	C	30-041-20791	O	03/2006	04/01/2008	4360	9360	Y	0	Y
33783	STATE BA #001	S	A-34-07S-35E	A	30-041-10003	O	05/1997	06/01/1999	4438	9438	Y	0	Y
	STATE BA #002	S	H-34-07S-35E	H	30-041-20048	G	04/1997	05/01/1999	4338	9338	Y	0	Y

WHERE Ogrid:227083

This invoice was paid  
in FY-07 as part of  
an Environmental Bureau  
remediation.

DB

3-2-07

# INVOICE

Terms: net 30 days  
Finance charge on past due amount 1.5% (18% APR)

**K** KLEINFELDER

2006 JUL 27 PM 2 21

Remit To: Kleinfelder, Inc.  
P. O. Box 51958  
Los Angeles CA 90051-6258

Ben Stone  
New Mexico Oil Conservation Div  
1220 South St. Francis Drive  
Santa Fe NM 87505

Telephone No: 505-476-3474  
Invoice Date: 25-JUL-06  
Invoice No: 341871  
Client No: 20361  
Contract No:  
Project No: 64360  
Bill Thru Date: 23-Jul-06

Total Due This Invoice: \$62,762.08

Project Name: NMOCD Orbit

PO# 06-199-000634; Contract # 408050918283

Top Task Name: Well Plugging  
Subtask Description: Well Plugging

	Amount
Task Budget:	\$64,290.00
Task Percent Complete	100%
Less Previously Billed	\$5,565.25
Amount Due This Task	\$58,724.75
Sub-Total All Tasks:	\$58,724.75
Tax:	\$4,037.33
Total Amount Due This Invoice:	<del>\$62,762.08</del>

\$61,238.52

*J.E. to pay.*  
*[Signature]*

Please include the above invoice number on your payment.  
For questions concerning this invoice, please contact  
Robert E Wilcox at our Albuquerque office: (505)344-7373

*We truly appreciate your business.*

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N French Dr. Hobbs. NM 88240  
District II  
1301 W Grand Ave. Artesia. NM 88210  
District III  
1000 Rio Brazos Rd. Aztec, NM 87410  
District IV  
1220 S St Francis Dr. Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-041-20048

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:  
State BA

8. Well No.

2

9. Pool name or Wildcat  
Todd Upper San Andres

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS)

1. Type of Well:

Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

Orbit

3. Address of Operator

720 W. Wilshire, Suite 115., Oklahoma City, OK 73116

4. Well Location

Unit Letter A : 1980 feet from the N line and 660 feet from the E line

Section 34

Township 7S

Range 35E

NMPM

County Roosevelt

10. Elevation (Show whether DR, RKB, RT, GR, etc)

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☒

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, 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

7/10/06 MIRU.

7/11/06 Rig Up wireline. RIH with 5 1/2 gauge ring. Stopped at 2768 ft. POH. RIH with 1 11/16 sinker bars. Stopped at 2768 ft. POH with tools. SDFN.

7/12/06 RIH w/ knotted collar, perf. sub and 127 jts. 2 3/8 tubing. Tag solid. RU Pump circulate 30 bbls. mud laden fluid. Work tubing down 4100 feet. Circulate hole with mud laden fluid. Spot 25 sacks cement. POH w/ 60 jts tbgs. CWI, WOC, SDFN.

7/13/06 Tag plug at 3991 ft. PUH to 3549 ft. Load Hole, spot 25 sx cement at 3549 ft. to 3308 ft. POH w/ tubing. Perf. 5 1/2 casing at 1949 ft. POH with wl. RIH w/ 5 1/2 AD-1 packer. Set at 1667 ft. estab. rate 2 barrels per minute. 900 PSI sqz 50 sacks cement CWI w/ 1100 PSI. WOC 4 hrs. Released packer. POH RIH open ended. Cement soft POH w/ 24 jts. CWI, WOC, SDFN.

7/14/06 Tag plug at 1831 ft. POH w/ tubing. Perf. 5 1/2 casing at 332 ft. Set packer at 30 ft. Estb. circulation. POH w/ packer. Install 5 1/2 by 2 inch swedge. Circulate 110 sacks cement. Down 5 1/2 casing up to surface of 8 5/8 casing. WOC 4 hours, dug out cellar, cut off well head, install dry hole marker. Rig down moved off.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Bob Wilcox P.G.

TITLE

Geologist

DATE

8/28/06

Type or print name

Bob Wilcox

Telephone No.

(505) 342-7373

APPROVED BY

Gary W. Wink

TITLE

OFF FIELD REPRESENTATIVE II/STAFF MANAGER

DATE

OCT 26 2006

Conditions of approval, if any:

Approved as to plugging of the Well Bore.  
Liability under bond is retained until  
surface restoration is completed.

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

WELL API NO <u>30-041-10003</u> <del>30-004-110003</del>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: State BA
8. Well No. 1
9. Pool name or Wildcat Todd Upper San Andres
10. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Orbit Petroleum, Inc.

3. Address of Operator  
720 W. Wilshire, Suite 115., Oklahoma City, OK 73116

4. Well Location  
Unit Letter A : 990 feet from the N line and 990 feet from the E line  
Section 34 Township 7S Range 35E NMPM County Roosevelt

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, 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 recompilation.

6/30/06 MIRU. Nipple Down wellhead. Could not pull tbg. SDFN.

7/05/06 RU wireline. GIH w/ sinker bar and collar locator. Got down to 2410. POH w/ tools. RU pump. Load hole w/ 4 bbls. Pressure up to 1500 psi. Slow leak. Pumped 2 bbls/min. @ 900 psi. Total 30 bbls. RIH w/ sinker bar on wireline. Stopped @ 2410. Worked tbg. Tbg released. POH w/ 57 jts. tbg. Rigged up wireline. RIH w/ sinker bar and CL. Stopped @ 1732. RIH w/ gauge ring. Stopped @ 1500. SDFN.

7/06/06 RIH w. 3 7/8 overshot. Stopped @ 1550. Layed down 6 jts. Run 6 jts out of derrick. Pump 30 bbls. fresh water. Worked tbg. down to 1742'. Circ. hole w/ 100 bbls fresh water. could not get down past 1742'. Called Gary Wink w/ OCD. Approved to Sqz. 100 sx. cement. RIH w/ 4 1/2 packer. Hit tight spot @ 1479'. POH w/ tbg. Left pkr. in hole. SDFN.

7/07/06 RIH w. 4 1/2 AD-1 PKR. Set @ 1426'. Sqz 100 sx cement. WOC. 4 hrs. Pressure up, held 300 psi. Establish 2 bbls/min. @ 700 psi. Release packer. POH to 1240 ft. Got communication. POOH w/ pkr. RIH open ended Tagged plug @ 1550'. Spot 25 sx cement. POOH w tbg. WOC SDFN.

7/10/06 RIH w/ tbg. Tagged plug @ 1340'. POOH w/ tbg. perf csg. @ 382'. Set Pkr. @ 30'. Establish Circulation, Circ. 110 sx. cmt down 1/2 & up 8 5/8 to surface. CWL, Cut off Wellhead, RD. Weld on Dry Hole Marker.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bob Wilcox P.G. TITLE Geologist DATE 8/28/06

Type or print name Bob Wilcox Telephone No. (505) 344-7373

(This space for State use) OC FIELD REPRESENTATIVE II/STAFF MANAGER  
APPROVED BY Larry W. Wink TITLE \_\_\_\_\_ DATE OCT 26 2006

Conditions of approval, if any:

Approved as to plugging of the Well Bore.  
Liability under bond is retained until  
surface restoration is completed.