

(2)

Permission was granted on August 3, 1973 to temporarily abandon the hole for a period not to exceed six months and a 120.00 plug was spotted @ 11000' and the hole was abandoned. An extension was asked May 21, 1976 & granted by Mr. Gussitt June 8, 1976 and was to expire October 1, 1976.

Our file contains a note from the Division Director of the MOCOS Mr. Dick Staments dated January 27, 1980 to Mr. Gussitt that Drimm had lost his lease and I quote Mr. Staments we need you to move to see the well prepared for a return to active drilling status.

Mr. Gussitt wrote Mr. Drimm on March 14 1980 stating since there had been no reply to a previous letter October 19, 1979 I am referring this matter to our attorney in Santa Fe to schedule a hearing.

Mr. Drimm wrote Mr. Gussitt March 17, 1980 saying that he was no longer operator of the said well. The present operator is Mr. Joyce Brown Highland Resources Inc 800 San Jacinto Blvd Houston Texas 77002.

On March 21, 1980 this office received notice of hearing set for 9:00 AM April 9, 1980 for case # 6850.

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On 3-28-1980 Mr. Grissett wrote Mr. Ernest Padilla General Counsel in Santa Fe stating that Mr. I.W. Norman with Highland Resources had called & said they did not want to P.H. the well but hold it for geotechnical possibilities.

April 1, 1980 Mr. Eric Norman for George R Brown wrote Mr. Grissett stating Mr. Grimmer's desire to remain as operator of the well.

Also on April 1, 1980 Mr. Grimmer wrote Mr. Grissett confirming this and said he would like to keep the well in its present status for another twelve months.

April 3, 1980 Mr. Padilla wrote Mr. Grimmer stating that with proper bonding he might be possibly disburse the case for one year.

On April 22, 1980 Mr. Padilla called Mr. Grissett & said he will disburse the case for six months.

June 4, 1993 I wrote Mr. Grimmer asking for a subsequent report on the status of the well and he did not respond to my letter.

April 2, 1996 I wrote Mr. Grimmer giving him our rule 301 A + 201 B again asking him for a status report on the well & he did not respond at all.

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also on April 2, 1976 I wrote to Mr. George Brown with Highland Resources who are partners in the well + my letter was returned.

June 24, 1976 I wrote Mr. Brown again. I again sent him a letter 101 & 4B in regard to Chardona Wells. I informed him that in order to bring the well into compliance it would allow access to test the casing + I scheduled an MIT for August 1, 1976 + I ask for someone to call me. I have had no response.

August 25, 1976 upon instructions from my supervisor I wrote our legal counsel Mr. David Laval asking for a ruling.

I made a trip to the well Friday June 4. I found that the 2" flange valve had been removed + the flange is open. There is a PTH manometer attached to the well head + the location ripped.

What we are concerned about is the fact that we have open hole across geothermal zones @ 15000' & 17000' with only 100 ft of cement @ 11000' and the csg is open at the surface.

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Exxon, Hunt, Brown + AM Arctic Mobil
Stat 32 #1 in Sec. 32 - T25S R. 1E
Wtl D Dana Co. County was spud on
October 2, 1972

Set 302' of 20' csg + cemented with 1000 sf
circulated to surface.

Drilled 17 1/4" hole to 2,360' then set 2,860'
of 13 3/8" csg. Cemented csg with 1156 sf of
cement. TOC @ 1550'.

Drilled 12 1/4" to 10,274' then drilled 11" hole to
11,400'.

On December 30, 1972 ran 10,861' of 9 5/8"
csg + cemented with 1000 sf class A cement.
Estimated TOC @ 7091'

On Feb 20, 1973 this office received an APD
to deepen this well to 20,000'.

We have no subsequent report from Exxon
Oil Co. on the drilling of this hole but a
letter from John Sumner to Mr. Bill Grissett
OCD office in Artesia that the well was
drilled to 21,759'. However because of
equipment lost in the hole they were
forced to sidetrack - junk @ 20,688'
and the new hole reached a TD of 20,767'
Plan to deepen hole to 22,500'.

