

Brown, Maxey G, EMNRD

From: Brown, Maxey G, EMNRD
Sent: Monday, August 29, 2016 4:55 PM
To: mattp@pride-energy.com
Subject: FW: South 4 Lakes #6, Bagley #2

Corrected email address.

From: Brown, Maxey G, EMNRD
Sent: Monday, August 29, 2016 4:52 PM
To: matt.p@pride-energy.com
Cc: Sanchez, Daniel J., EMNRD; Kautz, Paul, EMNRD; Marks, Allison, EMNRD; Herrmann, Keith, EMNRD
Subject: South 4 Lakes #6, Bagley #2

Mr. Matt Pride,

After reviewing the well files for the two (2) wells that you proposed to run MIT for Temporary Abandonment, I am unable to approve your request. Please review the reasons that I have listed below:

Bagley #2, 30-025-38192

- Current T/A expired in April 28, 2012.
- Intent filed 4/14/2011-Denied by Larry Hill, District Supervisor. CIBP was set high at 7119', capped with 2 sacks of cement. Subsequent filed 5/2/2011- Denied by Larry Hill, District Supervisor. CIBP set at 7119', top perf at 9937'.
- Subsequent filed 6/30/2011, with chart date 4/28/2011 was approved for a one (1) year extension to expire 4/28/2012 by Staff Manager, E.L. Gonzales.
- Intent filed 11/4/2015 was denied by Maxey Brown, District Supervisor due to the fact that the CIBP setting depth exceeded the 100' above top perforation and also the T/A had been expired over 3 years. It is noted that the casing shows to be collapsed at 7169'.
- Intent filed 7/25/2016 was denied by Maxey Brown, District Supervisor due to the same reason listed also now the T/A is expired over 4 years.
- In our phone conversation you mentioned that allowing the T/A to be approved would allow Pride to investigate up hole potential. Paul Kautz, District Geologist reviewed the area that this well is located and found little to no up hole potential.
- There has been no production reported in this well in 84 months (7 years).

South 4 Lakes Unit #6, 30-025-01834

- Current T/A status expired in 10/3/2013.
- Intent file in 11/22/2013 to perform MIT for T/A status. Maxey Brown indicated on the C-103 it would be approved for 1 year. OCD records do not show that this test was ran or do the well files contain a valid chart for that well.
- Intent filed 11/4/2015 was denied by Maxey Brown, this well has now had an expired T/A of nearly 2 years.
- Intent filed 8/26/2016 will be denied due to the fact the well be approaching nearly 3 years.
- No production has been reported in 98 months (8+ years).
- Rule 19.15.26.12. C. (1) Whenever there is a continuous one year period of non-injection into all wells in an injection or storage project or into a salt

water disposal well or special purpose injection well, the division shall consider the project or well abandoned, and the authority for injection shall automatically terminate ipso facto.

- During our telephone conversation, you spoke of the importance to hold this well bore for future use, understanding that Pride will have to re-apply for authority to inject.

After consulting with Mr. Daniel Sanchez and Mr. Paul Kautz, OCD District I finds that the above wells are no longer candidates for Temporary Abandonment Status and would recommend that Pride moves forward in returning the wells to active status or plug and abandon the wells. We would anticipate the filing of C-103 Intents for this well work and expect completion by November 30, 2016.

Maxey G. Brown
OCD District 1 Supervisor
575-393-6161 ext. 102