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Claude Thorpe

Dear Friends,

Our CEO, Keith Grimes, is on a well deserved vacation this week and next; so I am filling in for his portion of this newsletter. Personally, I so appreciate your responses and comments to our newsletters and want to share one from a good friend of ours, Rod Hebert, at Black Elk Energy.

“Claude, I really enjoyed your newsletter, especially the grilling/smoking part. Chris Furrh with Devon makes the best smoked brisket that I've eaten in Houston. We need to nominate guys who are great brisket smokers so that they can get some notice. Houston Bar-B-Que on Eldridge has the best brisket that I've eaten in a restaurant here.”

So send your nominations to me at cthorp@hamiltongroup.org for the best smoked brisket by an individual and by a local restaurant. We will publish the results in our December holiday newsletter as well as find a fun way to further recognize these culinary giants.

Happy Thanksgiving from all of us at the Hamilton Group.



Oil & Gas Well Decommissioning or plug & abandonment steps are often standard routine and employ conventional methods requiring only a few days to complete however this may not always be the case, and serious problems can arise. Offshore, the process is more complex, necessitating the removal of the topside facilities, deck, conductors, piles and jacket. Natural events such as hurricanes often inflict unpredictable damage to the platform structure or to the wells themselves, requiring a high degree of expertise, know-how and innovation to safely decommission the wells and return the area to a safe and stable condition. DECOM specializes in addressing the spectrum of this service market segment - from initial planning and permitting down to the final inspection.



“480 US offshore wells and 60 offshore platform structures are on average closed and removed each year”

In the USA alone, there are 30,000 onshore wells decommissioned each year. Additionally, 480 US offshore wells and 60 offshore platform structures are on average closed and removed each year. The recurring US market for ongoing decommissioning service exceeds \$ 2.6 Billion per year, excluding the backlog of remediation projects unresolved from previous hurricane damage. This current backlog of GOM projects is generally estimated to be an additional \$ 3Billion of unassigned decommissioning and restoration service work.

Oil & gas operators have a growing backlog of non-producing wells that must be pulled, sealed, and securely decommissioned. Non-producing idle wells represent a financial and environmental liability to the operator, and potentially to the public. Government agencies are aggressively concerned about proper and timely decommissioning non-producing wells. Environmental statutes are driving this issue with new compliance standards being enacted by State & Federal authorities. State governments have inherited a growing list of orphan wells that are coming to them from failing oil & gas companies. These wells must be decommissioned as well.

A growing number of service companies provide some form of decommissioning services. The main trouble dealing with conventional service companies comes from a lack of specific detailed experience, attention to customer service, and nominal attention to environmental considerations. Typical service providers do not give their full attention to the customer's entire problem, and prefer instead to promote internal segmented in-house services they have to offer.

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Your Virtual Staff for Drilling, Production and Reservoir Projects



In a number of cases occurring in the Gulf of Mexico, decommissioning projects were performed by companies and individuals lacking the proper equipment and experience. These mistakes (referred to as “Bubblers”) may cost the owner as much as twenty times the original P&A estimate to locate, re-enter and completely seal off the well. Deep pocket operators forecast a minimum of \$30M to re-decommission every Bubbler well they encounter in the GOM. Currently, the MMS estimates 70 Bubblers to exist in US offshore waters.

DECOM's project management operation is lead by Jerry Cooper, Jerry Foster and their veteran team of 18 offshore decommissioning specialists. Their team recently completed a 5 year \$598M decommissioning project ahead of schedule and under budget for a major operator. Following Katrina in 2005, the decommissioning team took on the initial damage assessments and provided the first high level reports. In the ensuing months, the team was expanded to cover the daunting task of emergency response and development of recovery plans. This team of project planners, engineers, and well specialists were noted as a “pocket of Excellence” and qualified as the best-in-class professionals at offshore well decommissioning. They traditionally spent 20% more on pre planning and reduced AFE cost 30%. They focus on well diagnostics, economical well intervention methods, contamination remediation, platform removal and site restoration.

Just Something Fun: Claude Thorp

“Recipe successes and failures, plus the answer to the difference between a slow cooker and a crock pot.

In last month's article, I promised that I would be doing a lot of cooking in a slow cooker (not a crock pot) and I have broken that promise. It wasn't because of lack of time or desire, but I forgot one of my wife's unbreakable holiday rules: “If you mention that you really want to buy something in November or December, YOU CAN'T, as it automatically goes on a Christmas list”.

So I have only been able to cook in a crock pot which was handed down from my mother-in-law and she may have gotten it from her mother-in-law. Two quarts, two temperatures, and three generations have tried to break it. It's perfect for soup, chili, and queso for small families. I have received kudos for my chicken and dumplings, pulled pork and even managed a decent “ribs for 3 light eaters”.

What is the difference between a “crock pot” and a “slow cooker”?

Crock Pot	Slow Cooker
Little	Big
Has a plug	Has “bells and whistles”
Hers	Mine

“Two quarts, two temperatures, and three generations have tried to break it”

Events of Interest

SPE Leadership Forum
Thursday, Dec. 10
5pm – 7pm
Houston, TX
[More Information](#)

SPE Elves & More Bike
Build
Saturday, Dec. 12
9am – 12pm
Houston, TX
[More Information](#)

Hamilton's wide range of service offerings come from the combination of three companies:

Hamilton Engineering Inc. (Houston, TX), founded in 1976 by Lacy Hamilton, specializes in providing consultants for the planning and supervision of petroleum related drilling, completion, and well workovers in nearly every oil producing state in the United States and over twenty foreign countries.

Petroleum Engineers Inc. (Lafayette, LA & Houston, TX), founded in 1970 by Don E. Claxton, Alvin Bellaire, Jr. and C. F. "Skip" Kimball III, specializes in providing the upstream industry with drilling and completion project management services as well as professional engineers, well site supervisors and technical services at a moments notice, worldwide.

Atlantis E&P Services Inc. (Houston, TX), founded in 2001 by Terry Clark, specializes in providing experienced reservoir and geoscience consultants with backgrounds in conventional and unconventional reservoirs in both domestic and international settings.

In addition to the services provided by these three companies, our companies have recently added drilling fluids management, IT, real-time data and full-time placement services.

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