

Wells getting a closer look



When the compromise allowing drilling in the southeast portion of the forest was being settled in the late 1970s, it was estimated all the wells would be removed by about 2000. Today there are 15 oil wells and 3 gas wells in production. DNR director Daniel Eichinger and senior staff in Lansing have begun reassessing the situation.

As a destination, the wells in the Pigeon River Country are easy to find, several of them visible along a drive up Lost Cabin Trail that arrives at a central processing facility, a cluster of piping and storage. People mostly aren't looking for wells. It might be assumed the wells aren't noticeable, that they've been there so long they sort of fit in. It may be true most visitors don't come across a well, but it's incorrect to think they are not noticeable.

Each well sits in plain sight on a couple of acres cleared of woody vegetation and accessed by roads wide enough to accommodate large trucks. Even standing silent, the wells are an anomaly, their angular structures painted pale green long ago and now turning rusty. They look nothing like the forest around them. People with sensitive noses can sometimes detect a mild odor from 20 or 30 feet away from some wells.

Wells are fitted with electric pumps and run periodically, the rocking horse assembly rising and falling steadily. One gas well, Charlton 1-9, flows continually and has no pumping unit to turn on and off.

A maintenance person arrives at each well daily in either a half-ton or $\frac{3}{4}$ -ton pickup

truck to check temperature at the well. Pressure data is available continuously off site, but the temperature needs checking on site. One gas well, the free-flowing Charlton 1-9, is visited periodically for a day or two by a couple of large trucks—approximately the size of propane delivery trucks—along with a couple of pickup trucks, to clean paraffin out of the tubing with a steel rod fitted with barbs to scratch the wax off the tubing walls.

On quiet nights, a well starting up can be heard from 0.2 of a mile away, some farther for some people. Mike Brown, a hunter who visits the forest often, says he can hear wells 1.5 miles away and even farther on still winter days.

Joe Jarecki observes, “Even standing within 100 feet of it, the whining/whirring sound is not too loud and would probably be about as loud as many diesel pickups are when they are idling.” He says one well, the Corwith 3-22B on Old Vanderbilt Road, “is almost exactly one quarter mile from the High Country Pathway,” and Joe and his wife, Judi, “have never heard the pump from the pathway even though we probably walk that section 10-15 times a year.”

“Since the wells have been here for over 35 years,” Joe says, “I think they are viewed as part of the landscape by longtime forest users. People may not be happy that they are there, but also don’t feel like they can do anything about them, so go about their business and ignore them.”



An oil well on Lost Cabin Trail.

The wetlands along the west side of Lost Cabin Trail are a wild, remote hunting area more than a mile wide and about 5 miles long, called the Black River Swamp. Moving through on snowshoes with a few companions, Mike Brown listens for the far-off sound of his dogs on the trail of coyotes. What he also hears is the sound of scattered wells and the central processing facility compressors abutting the swamp about two miles up Lost Cabin Trail. Many coyote hunters now use tracking collars on their dogs because of the difficulty hearing the dogs far off. Mike, however, does it the older way of just listening closely. He says it’s hard for him to filter out the unwanted mechanical sound. He suggests people seeking solitude spend their time in the nondevelopment areas of the forest.

The nondevelopment regions of Pigeon River Country were established by court order in 1980, making the southern third of the forest the only area where hydrocarbon development was allowed. The 1980 Ingham County Circuit Judgment stated that operators were “to produce oil and gas as quickly as possible to minimize the duration of association hydrocarbon activities within the forest.”

The DNR produced a 77-page environmental impact statement in 1975 that estimated “abandonment and restoration” of the wells would be “complete by 2000,” by which time “all equipment will be removed and steps will be taken to restore the areas ... to natural conditions.”

The need to extract oil and gas as quickly as possible included the stipulation in the 1980 final judgment that during those years of extraction “marginal wells shall not be produced and shall be abandoned, and the well site restored.” It said, “A marginal well is defined as one that no longer produces in paying quantities. Paying quantities is defined as that point at which revenues from the well are less than the operating costs of the well.” That language turned out to be apparently inadequate for getting such wells removed. The price of the oil or gas fluctuates in the marketplace, so the “point at which revenues were less than operating costs has proved to be an elusive target.

The scenario in the late 1970s of rapid extraction, with wells being closed as they played out, until that day “about 20 to 25 years” hence when the last well would be removed and the last touches of restoration accomplished—well, it hasn’t happened. Wells with production near or at zero are included in a “pool” of more productive ones, where every drop seems to matter.

Operators have openly referred to wells as “marginal” in their periodic reports, but modify it with a “probably”: “If a well is producing at 10 or more BEQD [barrel equivalents per day], it is probably not marginal (probably is profitable). If a well is producing at 2 or fewer BEQD, it is probably marginal (probably is not profitable). If a well is between 2 and 10 BEQD, it may or may not be marginal.”

By that standard, oil well Corwith 3-22B was “probably marginal” in all four quarters of 2020, producing zero BEQD in the first three quarters and 1.4 BEQD in the fourth quarter, for a year-end total of 0.4 BEQD. Likewise, Charleton 2-4A was “probably marginal” with 1.1 BEQD for the year, while eight other oil wells “may or may not have been marginal” with BEQD totals for the year of 7.1, 2.3, 6.3, 4.3, 7.2, 5.9, and 3.3 BEQD.

That leaves only five oil wells in the “probably is profitable” category for 2020. In 2019, there were seven wells in the “probably is profitable” category among 15 total oil wells in the consent area. In 2017, there were eight “probably is profitable” oil wells.

The three gas wells in the authorized development area of the forest have dwindled in production, registering 16,743 mcf (thousand cubic feet) in 2001 and 8,465 mcf in 2020 at gas well Charlton 1-10. At Charlton 1-11 gas well, the mcf dropped from 31,297 in 2001 to 3,981 in 2020, and at Charlton 2-11 gas well, dropped from 62,928 in 2001 to 7,238 in 2020. The operator Lambda reports the gas well equivalents in BEQD as 4.1, 2.2 and 3.6 for 2020, putting all three gas wells at the low end of the category of “may or may not be marginal.” A typical two-bedroom Gaylord house uses a little less than 6,000 cubic feet of natural gas in a year, so the lowest producer of

the three, Charlton 1-11, provides enough natural gas to supply 663 such typical homes.

In 2020, Lambda Energy of Houston, Texas, which has owned the wells in and around the consent area since 2018, sold eight wells that are outside that consent area to Core Energy LLC of Traverse City, which describes itself as being in the business of “Enhanced Oil Recovery.” Core says on its website that “otherwise unproducable oil is liberated from the rock.” The limits of quick recovery and then closing the well do not apply to wells outside the PRC consent order coverage area. There is no expectation that those wells sold to Core would be shut as marginal. Getting more out of marginal wells seems to be Core’s main business.

But the eight sold wells are inside the area of the forest added since the 1980 court ruling. It’s called the Annexed Area, and there is language in the PRC’s Concept of Management about oil and gas activity in the Annexed Area: “The DNR will notify the Advisory Council of proposed oil and gas development in the Annexed Area ... the DNR will notify the Advisory Council Chair, and the Advisory Council Oil & Gas Committee Chair, when a DNR field review of developed plans is scheduled.” Among topics of interest to the advisory council are bonding requirements and the operator’s financial ability to properly maintain or close out an aging oil and gas field.

Within the consent area, Corwith 11 CPF, a central processing facility like the one on Lost Cabin Trail—this one north of Hardwood Lake—and its five gas wells, drilled in 1982 and 1983, were removed as of summer 1995. Another well was plugged and abandoned, State Charlton 5-7, drilled in 1983 and abandoned in 2015.

What are the prospects for the ongoing oil and gas activity, including marginal wells, in Pigeon River Country?

Calling attention to the situation, the Pigeon River Country Advisory Council has asked Daniel Eichinger, director of the Michigan Department of Natural Resources (DNR) in Lansing, to “more formally advance

the discussions which have taken place with the current operator, Lambda Energy.” The aim is to “develop a definitive and expeditious schedule for concluding hydrocarbon production within the Consent Agreement boundaries.”

Paul Rose, chair of the PRCAC, said in his letter to Eichinger that, “from the perspective of many past and current members of the PRCAC, the reality of the oil and gas development timeline” has “not met the expectations” that “hydrocarbon production activities within the Consent Agreement boundaries would be concluded by, or near, the year 2000.”

In response to the request, the DNR and Michigan’s Department of Environment, Great Lakes & Energy (EGLE) are reviewing the issues and relevant documents.

Dugout canoe found in Black River is brought to Discovery Center

In February 2021, the Discovery Center Steering Committee received a call that what

is believed to be a 300+ year-old dugout canoe owned by and stored at Black River Ranch (after having been on display at a store in Birmingham, Michigan for many years) was being offered by the ranch owner as a donation to the Pigeon River Country Discovery Center.

This canoe was excavated from the Black River on the Black River Ranch property; it is uncertain exactly when, but most likely sometime in the 1950s. The Black River Ranch is in the process of being sold to the DNR.

While the canoe has not been scientifically dated, a 1994 letter from the Detroit Institute of Arts dates it from before 1800 and perhaps as much as a half-century before that, and opines that it is safe to say it is a Native American dugout canoe.

Scientific dating may help determine that, and importantly, the Discovery Center has a donor who will cover the cost of dating. The canoe might be dated through carbon dating or “dendro-chronology,” and physical inspection by a trained archeologist might be able to determine wood type and tool marks (whether stone or metal would add to dating information).



Dugout canoe, found years ago buried in the stream of the Black River, arrives at the Discovery Center. It is believed to be more than 300 years old. Photo by Sandra Franz

The Discovery Center offered to house the canoe in a more controlled environment, conduct testing to learn more about it, and keep Michigan's tribal authorities and the owner fully informed of what they learn. The DC Steering Committee discussed the owner's offer of the canoe at length and unanimously felt that if the canoe is of Native American origin, its true home is with them. If ultimately the tribes do not want it, or feel that it is appropriately housed at the Discovery Center, the DC will keep it. If the DC keeps and displays it, the canoe will need to be enclosed or otherwise protected to prevent visitors from touching it. The Steering Committee has already received a donation to offset some of the display costs if it stays at the Discovery Center.

The canoe was delivered to the Discovery Center on March 17.

The owner contacted one of the Discovery Center Steering Committee members by phone on March 22. She said she is very happy with the DC having the canoe for safekeeping and testing and, while her *preferred* outcome is to have the canoe remain at the Discovery Center and close to the Pigeon and the Black River from whence it came, has no objections to its being returned to the tribes if they want it.

She also very kindly sent an electronic version of a book, published in the 1950s, on the history of the Black River Ranch to be added to the Discovery Center's archives.

Two DC steering committee members spoke with Sandra Clark, director of the Michigan History Center (and long-time supporter of and advocate for the Discovery Center) on March 24, looking for her overall guidance about how to proceed. All agreed with her writing a letter to the 12 Tribal Historic Preservation Officers [THPOs], (one for each of the 12 federally-recognized tribes in Michigan), telling them that the canoe is in the DC's care and of the efforts to determine the age and provenance of the canoe. In that letter she asks them 1) if they have any concerns about the radiocarbon dating efforts and, once we know a little bit more about the canoe 2) if they want to be involved in discussions about its future ownership,

conservation and display? Sandra Clark has asked the THPOs to respond by April 9. Paul Rose, chair of the PRC Advisory Council, and Rique Campa, an MSU professor, have put the DC in touch with an MSU archeology professor who has recommended two companies that can perform radiocarbon dating if all parties are in agreement. The DC has received a \$1,000 donation to cover the cost of the dating and perhaps to go toward display materials if the DC keeps the canoe.

The Discovery Center is profoundly grateful for Paul and Carol Rose's advocating on behalf of the Discovery Center to be the recipient of such an artifact, their financial support, and their assistance, along with Bill Huston and Tom Carlson, in transporting the canoe from the Black River Ranch to the Discovery Center. It is a fragile artifact and it took them one hour to travel the 12 miles from BRR to the DC over northern roads just beginning their spring thaw.

Now we will wait to hear from the tribal historic preservation officers before determining the next step.

--Sandra Franz

Washout at tubes



Campsite 19 at Ford Lake Road was washed away by Pigeon River during a late October 2020 rainstorm. Water approaching tubes overflowed bank shown here on right.



The surface of Ford Lake Road on west side of the Pigeon is gone—an estimated 400 tons of sediment swept downriver. The Otsego County Road Commission plans to start rebuilding the roadway and replace the culverts with a timber bridge in mid-April 2021, which will restore the river to free flowing at the Pigeon River Campground site.

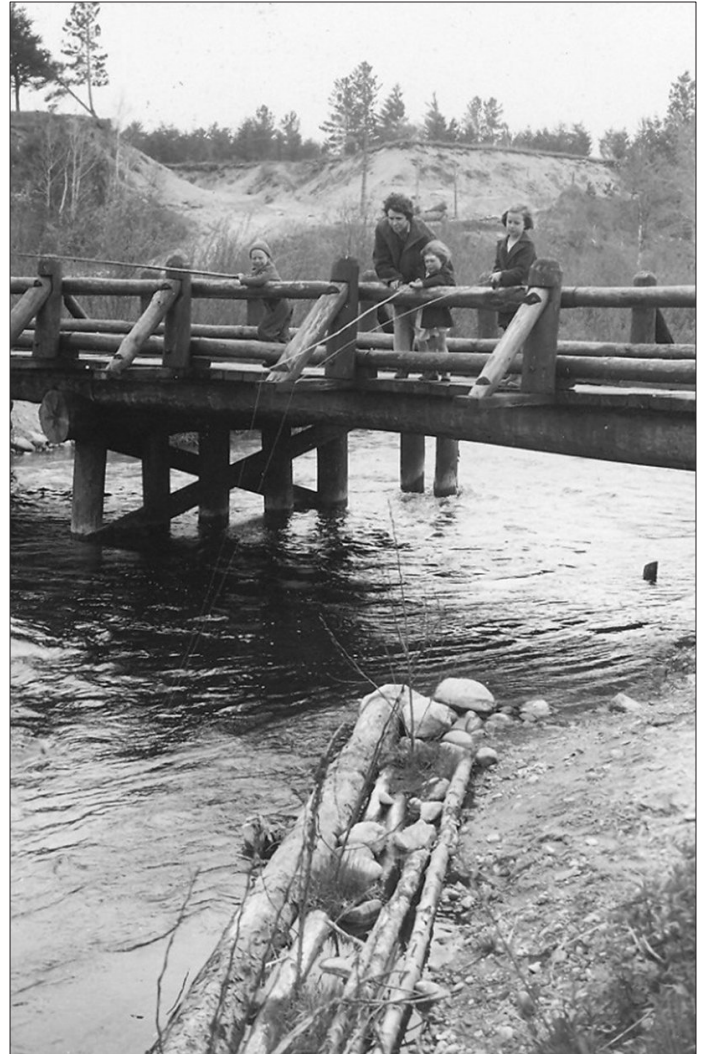
The road commission, in partnership with Huron Pines and the DNR, is coordinating the road repair and bridge replacement, originally a 2020 project delayed a year by the pandemic. Then the plan had been to install the bridge late in 2021, but county officials moved up the project because of the washout. It is expected to be completed by the end of June.

The Pigeon River State Forest Campground is adjacent to the bridge. The majority of sites will not be affected and will remain open during construction; however, due to the washout and project scope, the single campsite at the bridge (site # 19) will be eliminated. It is unclear when the culverts, known locally as the tubes, were installed. Prior to that, the crossing was facilitated by timber bridge. [See our [summer 2019 newsletter](#) for additional photos, including of a similar washout in 1995.]

More replacement bridges

Four pathway bridges in Pigeon River Country are being replaced: at Pickerel Lake, Tubbs Creek, Pine Grove Campground, and Town Corner Lake Campground.

The Town Corner bridge over the Black River was removed in 2016 and a reroute of the



Timber bridge at the Ford Lake Road crossing around 1940. *Photo courtesy Lyle Horsell family*

High Country Pathway (HCP) has been in place since. A study being wrapped up this summer 2021 will recommend exact locations for the four bridges and best bridge design and materials. Next would come funding and then decisions about any pathway rerouting.

The solitary pathway at Pickerel Lake circles the lake on the west side of the PRC and measures 2.1 miles. The Tubbs Creek bridge is along the High Country Pathway about a mile south of Town Corner Lake Campground on the southeast side of the PRC. The HCP crosses the Pigeon River near Pine Grove Campground in the northwest portion of the PRC.

Forest gets new manager

On a sunny June day in 2018, wildlife specialist Mark Monroe moved through a grassy opening in the middle of Pigeon River Country explaining for a video camera why the opening was being maintained. The footage became part of a Discovery Center video, “A Forest Up Close.”

The next year, Mark was assigned as land use specialist for the Western Lower Peninsula District out of Roscommon, where for the last two years he has coordinated all state land oil and gas activities, along with assisting unit managers in handling such land use issues as easement, surface use lease, and land use permit reviews.

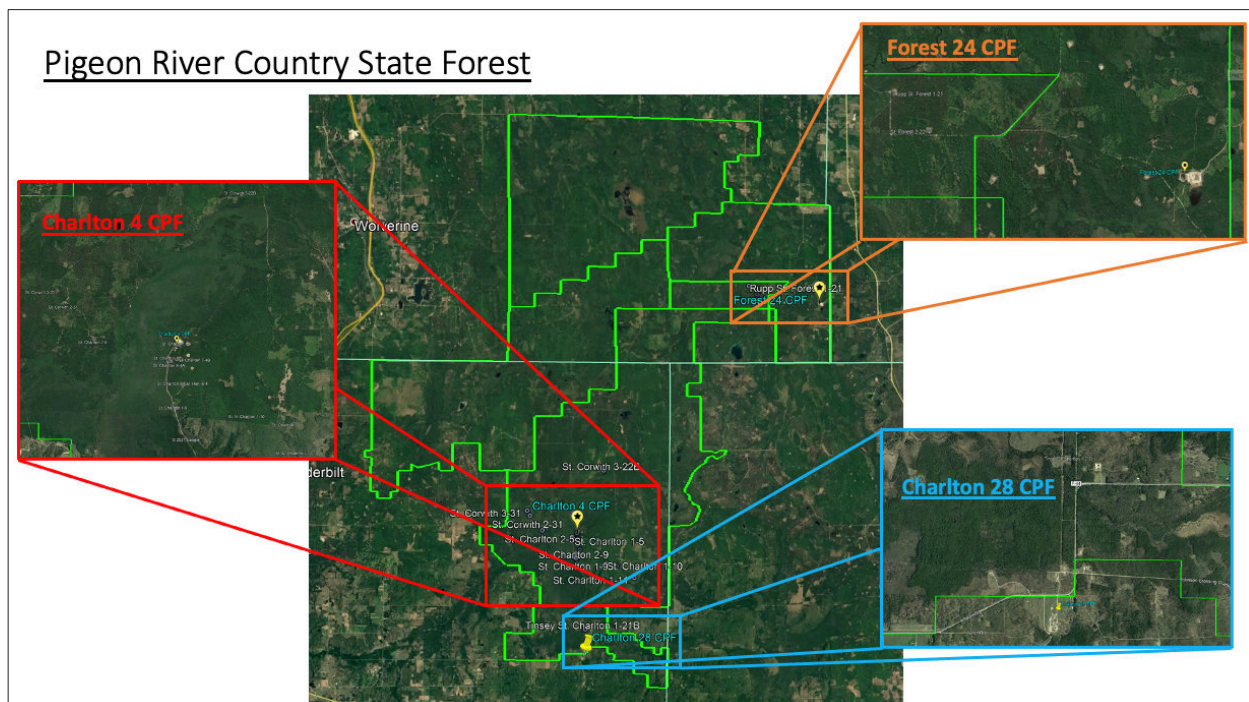
On April 4, 2021, Mark was stepping into PRC headquarters as the new unit manager, becoming the fourth full-term PRC manager, after Ned Caveney, Joe Jarecki, and Scott Whitcomb, who left the post in fall 2019 to take on DNR duties in Lansing. Others, including Greg Rekowski in 2019 and Cody Stevens in 2020, have been acting PRC managers while keeping their other DNR assignments.

Ned Caveney was the first unit manager of the Pigeon River Country State Forest, redrawn and renamed in 1973 from the state forest during the oil and gas controversy.

Before his two years as land use specialist, Mark spent 16 years in the DNR’s Wildlife Division, the first two working out of the Baldwin office, and the next 14 in the Gaylord and PRC management units, including working a number of habitat restoration projects, with primary focus on elk range improvement centered in the PRC. He has been involved in prescribed burns and wildland fire suppression for his entire career.

He lives in Gaylord, likes to hunt and fish and spend time outdoors with his family. His new post was announced by Steve Milford, Eastern Lower Peninsula district supervisor for the Forest Resources Division.

Access to the video “A Forest Up Close” is contemplated for a new Discovery Center/PRC Association joint website now under development.



Map of active wells in consent area, courtesy Lambda Energy.

Visit our [website](#) to see more maps of oil and gas wells in Pigeon River Country consent area.

Membership renewal reminder

Membership dues help provide a scholarship to a student intern who assists the forest manager in the summer, and help us protect the wild character of the PRC. Your membership expiration date is on your mailing label or email sending this newsletter. Please keep your membership current. Thank you!



Visit our websites at <http://www.pigeonriver.org>
<https://pigeonriverdiscoverycenter.org>

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