



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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January 16, 1997

Phillips Petroleum Company
Attn. Richard Allred
Production Superintendent
5525 HWY 64
NBU 3004
Farmington NM 87401

30-039-07786

RE: Re-entry of the Plugged and Abandoned, Northwest Pipeline Corporation's San Juan 30-5 NP #6,
M-19-30N-05W, Rio Arriba County, New Mexico

Dear Mr. Allred:

As we have discussed previously, the Phillips Petroleum Company's San Juan 30-5 #201, N-19-30N-05W has gas on the bradenhead even though cement was circulated in this well. Also, the associated ground bed has significant gas pressure on the vent line of up to 65 psi. A water well adjacent to both the Fruitland Coal well and the ground bed is venting some minor amounts of gas to the surface.

The rancher and owner of the well had questioned a hydrogen sulfide placard placed on the water well by Phillips Petroleum. Subsequent investigation by Phillips Petroleum and the New Mexico Oil Conservation Division confirmed gas was in the water well, bradenhead of the coal well and the ground bed.

Review of adjacent wells by NMOCD and Phillips Petroleum has revealed that Northwest Pipeline's San Juan 30-5 NP #6 has insufficient plugs to protect the Ojo Alamo. An important water zone and bad casing may have caused the plugs shown not to be in place as they were never tagged. Our investigation to determine the source of extraneous gas present at the San Juan 30-5 #201 will be initiated by re-entering the San Juan 30-5 NP #6. Phillips will drill out sufficient plugs to determine if the Mesaverde is isolated, run a cement bond log to determine the plugs necessary to isolate the Pictured Cliffs, Fruitland, Kirtland, Ojo Alamo and Nacimiento, both inside and outside the casing. The plugging program may contain an option to vent the shallow gas from the groundwater for a time. Northwest Pipeline's San Juan 30-5 NP #6 is a federal well so the plugging program must meet both New Mexico Oil Conservation Division and Bureau of Land Management standards. Since this is a groundwater problem, the NMOCD will be the lead agency in this re-entry. The Bureau of Land Management in Farmington contacts will be Don Ellsworth for the surface clearance and Steve Mason for down hole approvals. Phillips Petroleum Company is hereby directed to immediately re-enter Northwest Pipeline's San Juan 30-5 NP #6.

Please feel free to contact this office if you have questions.

Yours truly,

Denny G. Foust
Environmental Geologist

XC: ~~Well File~~
DGF File
Johnny Robinson-NMOCD, Aztec
Don Ellsworth-BLM, Farmington
Steve Mason-BLM, Farmington