Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED	
Budget Bureau No.	1004-0135
Pynires: March	31 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SF-078999 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE San Juan 31-6 Unit 1. Type of Well X Gas 8. Well Name and No. 2. Name of Operator SJ 31-6 Unit #16M Phillips Petroleum Company 9. API Well No. 3. Address and Telephone No. 30-039-26071 5525 Highway 64, NBU 3004, Farmington, NM 87401 10. Field and Pool, or exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Blanco Mesaverde and Unit C. 854' FNL & 1649' fWL Basin Dakota Section 33, T31N, R6W 11. County or Parish, State Rio Arriba, CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent X Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Conversion to Injection Altering Casing change cement slurry Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled. give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Because PPCO encountered lost circulation problems in prior wells when pumping higher weight slurrys a decision was made to change the slurry type from what was permitted. Also the actual volume of cement pumped was slightly less cubic feet of cement (936 cf vs. 998 cf), but we still calculated that the volume would cover the open hole section plus have 100% excess and cased hole at volume. We were not aware that permission needed to be granted by the BLM on a change in the cement design, since the design was still meant to cover the openhole section with 100% excess. Even with the lighter slurry, circulation was lost while pumping the cement job. Top of Cement was then determined with a temperature survey to be approx. 1600'. A call was then placed to Steve Mason with the BLM 6/22/99 to make him aware of the situation. Holes were shot @ 1510' and cement pumped to 277' and confirmed with a temperature survey. Primary job cement slurry changes were the following: Lead - 325 sx Cl H cement w/3% Sodium Metasilicate, 5#/sx Gilsonite and 1/4#/sx Cello-flake mixed at 11.4 ppg with a 2.88 yield. Tail slurry of 100 sx Cl H cement with 2% CaCl2 mixed at 15.6 ppg with a 1.21 yield. Note: Cement slurry calcuations based on 100% excess over the openhole interval. Remedial cement slurry mix: 210 sx (375.6 cf) 35/65 POZ Class H cement w/6% gel w/12.6 ppg with yield of 1.79. Tail - 50 sx (60 cf) Cl H cement @ 15.6 ppg with yield of 1.20. y that the foregoing is true and correct 14. I hereby 6/23/99 Regulatory Assistant Title Signed (This space for Federal or State office use)

Approved by

Spencer There exects because in an agencies Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.