

Mobil Exploration and Producing Services Inc.

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DENVER WEST
U.S. DRILLING

August 31, 1987

Mr. John Keller
Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87401

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

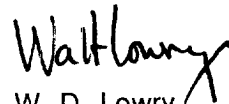
Dear Sir:

Thank you for sharing your time and thoughts during our meeting of August 25, 1987 regarding the foam cementing and subsequent cement evaluation of the Jicarilla #D-16 well located in Section 23-T26N-R3W of Rio Arriba County, New Mexico. Although no cement returns were seen at the surface on the subject well, it is Mobil's position, after thorough examination of the CBT/CET and Cement Scan logs, that we have met our obligation to isolate all zones requiring isolation by the BLM and the NMOCD. The top of the cement is picked to be 300', or 130' inside surface casing.

If, after analyzing the subject cement evaluation logs with Joe Goodwin on September 3, 1987, you have further reservations and/or questions regarding this matter, we would ask you to contact us so we may address the problem and resolve it as soon as is possible.

Thank you, again, for your time and cooperation. It has been a pleasure working with you on this project and we look forward to continued good relations on future projects.

Sincerely,



W. D. Lowry
Staff Drilling Engineer

RECEIVED

SEP 03 1987

OIL CON. DIV.
DIST. 3