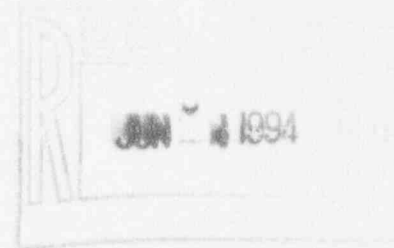


DMB

sperry-sun
DRILLING SERVICES

May 25, 1994



U.S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Attn: Mr. Bill Fisher

Oct. 30-29470

Re: Notification of Source Abandonment
USNRC License # 42-26844-01

Dear Sir,

This letter comprises the required 30 day notification of source abandonment as per 10CFR 39.77(d) as a follow-up to the telephone conversation with your office on May 15, 1994.

Date of Occurrence: May 15, 1994

Source Abandoned: One (1) 3.0 Ci. Am-241 Be doubly encapsulated radioactive source, Solid, Special Form. Gammatron Model AN-HP. Source Serial Number N016.

One (1) 2.0 Ci. Cs-137 doubly encapsulated radioactive source, Solid, Special Form. Amersham Model CDC.CY13. Source Serial Number 1429GW.

Sources were held in a source housing, screwed in and locked in place, into the sidewall of a heavy pipe wall Measurement While Drilling logging tool.

Company Name, Surface Location and Well Identification: Vastar Resources
OCS-G-2137 Well# D-4 ST# 2
South Pass Block 60

Casing Depth: Casing set to 12,632 ft. MD (9,282 ft. TVD) for ST# 1. Window cut in casing for ST# 2 at 9,753 ft. MD (6,979 ft. TVD)

Depth of the Cement Abandonment Plug: 10,114 ft. MD (7,524 ft. TVD) to 10,282 ft. MD (7,655 ft. TVD)

3000 North Sam Houston Pkwy. East (77032) • P.O. Box 60070 • Houston, Texas 77205
(713) 987-5100 • Telex 6868761 • Fax (713) 987-4269

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Notification of Source Abandonment

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Kick-off and Sidetrack

Depth after Abandonment: Returned back to original hole ST# 1.

Depth to Top of the Fish 10,282 ft. MD (7,655 ft. TVD)

(Top of Abandoned Drillstring)

Length of Abandoned Drillstring

Located above Abandoned

Sources: 1,114 ft.

Depth of Sources: The 3.0 Ci. Am-241 Be source is located at 11,359 ft. MD (8,584 ft. TVD). The 2.0 Ci. Cs-137 source is located at 11,368 ft. MD (8,592ft. TVD).

Bit Depth: 11,404 ft. MD (8,627 ft. TVD)

Depth to Bottom of Well: 12,225 ft. MD (9,360 ft. TVD)

Description of Recovery

Attempts:

On May 6, 1994 the bottom hole assembly was inadvertently backed off the drill string . A fishing tool was run in the hole in an attempt to screw into the top of the fish, this was unsuccessful. A fishing mill was then run into the hole in an attempt to dress the top of the fish.

On May 7, 1994 an overshot was run and the fish was jarred on for two hours. There was 1900 ft. of drill pipe that was removed in this operation..

On May 8, 1994 a screw in sub was run and the fish was jarred on for 2 hours in an attempt to get the fish free. Circulation was established but did not continue due to a wash out. An attempt was made to back off the fish in the heavy weight drill pipe but this was unsuccessful.

On May 9, 1994 a screw in sub was run in the hole. The fishing assembly was unable to get through the window in the casing.

On May 10, 1994 an impression block was in the hole to check the position of the retrievable whipstock. A round nose mill was run in the hole; approximately 8" of the whipstock was milled off. A watermelon mill was then run in the hole; approximately 8" of the whipstock was milled off. The mill was then run in through the casing window and into the open hole.

Notification of Source Abandonment

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On May 12, 1994 a fishing assembly was run back into the hole and screwed into the fish. The fishing assembly twisted off in this attempt.

On May 13, 1994 an overshot was run in the hole and was unable to get through the casing window. This overshot was pulled out of the hole where it was replaced with a smaller overshot. This attempt was successful in latching onto the fish.

On May 14, 1994 at 1000 hrs. Black Magic spotting fluid was placed around the fish. The fish was jarred on at one hour intervals after each time one barrel of Black Magic was spotted in the hole. This continued through the night until May 15, 1994 at 0600 hrs.

On May 15, 1994 a decision was made by Vastar Resources to propose plugging and abandoning the fish. At 0730 hrs. proposed abandonment procedures were discussed with Dwight Chamberlain of the Region IV office of the U.S. Nuclear Regulatory Commission by telephone conversation, approval granted for abandonment.

Results of Efforts to Immobilize and Seal the Source in Place:

On May 18, 1994, the radioactive sources and remaining BHA were immobilized by placement of a cement plug. Cement was set from 10,114 ft. MD (7,524 ft. TVD) down to 10,282 ft. MD (7,655 ft. TVD). There was no side tracking of this well. Vastar Resources returned backed to the original ST # 1 prior to opening a hole in the casing for ST # 2.

Warning Statement:

A warning plaque will be made and provided to Vastar Resources for mounting on the wellhead. It will be possible to mount the plaque since there is a permanent structure available at this location. See attachment for Warning Statement plaque.

Other Agencies Notified in Writing:

Minerals Management Service (New Orleans District)
Texas Department of Health - Bureau of Radiation Control
U.S. NRC Document Control Desk (Washington, D.C.)

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Please call Richard Arsenault at (713) 987-4144 if you have any questions.

Respectfully,



Richard L. Arsenault
Radiation Safety Director
Sperry-Sun Drilling Services, Inc.

Attachments: Warning Statement
Record of Mounting Form

cc: R. Ellis
D. Jezerinac
M. Kohlhauff
G. Moore
P. Murray
J. Newman
NRC License File
TBRC License File

VASTAR RESOURCES
OCS-G-2137 Well # D - 4 ST # 2
South Pass Block 60



CAUTION



ONE 3.0 CURIE Am-241 Be RADIOACTIVE SOURCE,
AND ONE 2.0 CURIE Cs-137 RADIOACTIVE SOURCE
ABANDONED 5/15/94 AT 11,359 FT. MD (8,584 FT. TVD),
AND AT 11,368 FT. MD (8,592 FT. TVD).

PLUG BACK DEPTH 10,114 FT. MD
(7,524 FT. TVD) AVOID BORE BELOW PLUG BACK,
AND DO NOT REENTER THIS WELL BELOW PLUG BACK
BEFORE CONTACTING
U.S. NUCLEAR REGULATORY COMMISSION

RECORD OF MOUNTING OF PERMANENT ABANDONMENT IDENTIFICATION PLAQUE

The permanent identification plaque enclosed meets the requirements of the rules and regulations of the U.S. Nuclear Regulatory Commission as specified in 10 CFR Part 39.

As required by 10 CFR Part 39.15, the permanent identification plaque is constructed of brass with a size of at least 7 inches square with a 1/8 - inch minimum thickness.

The plaque also contains the following as required:

- ** The word "CAUTION";
- ** A radiation symbol ;
- ** The date the source was abandoned;
- ** The name of the well owner or well operator;
- ** The well name and well identification numbers or other designation;
- ** An identification of the sealed source(s) by radionuclide and quantity of activity;
- ** The depth of the source and depth to the top of the plug; and
- ** An appropriate warning, such as, "DO NOT RE-ENTER THIS WELL".

The permanent identification plaque must be mounted at the surface of the well.

COMPANY NAME : _____

WELL NAME and No. : _____

LOCATION : _____

Date of Abandonment : _____

Radionuclide / Activity : _____ S/N : _____

Please complete the following information and return to :

Sperry-Sun Drilling Services, Inc.
P.O. Box 60070
Houston, Texas 77205
Attn: Richard L. Arsenault

If you have any questions please call Richard L. Arsenault at (713) 987-4144 or
FAX to (713) 987-4269

Date of Receipt of Abandonment Plaque: _____

Date of Mounting of Abandonment Plaque: _____

CUSTOMER'S SIGNATURE : _____