UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE* (Other instructions on

Form approved. Budget Bureau No. 1004-0136

5. LEASE DESIGNATION AND SERIAL NO.

SF-078766

reverse side)

Expires December 31, 1991

APPLICATIO	N FOR PERMIT TO	DRILL, DEEPE	N, OR PLUG BAC	6. IF INDIAN, ALL'OTTEE OR T	RIBE NAME
		PEN		7. UNIT AGREEMENT NAME	ningion, NM
1b. TYPE OF WELL	<u> </u>	—		Rosa Unit	
				8. FARM OR LEASE NAME, WE	ELL NO.
OIL WELL	GAS X OI	THER SINGLI ZONI	1 X 1		
2. NAME OF OPERATOR				9. API WELL NO.	0 2400
	ms Production Comp	oany, LLC			32192
3. ADDRESS OF OPERATOR			The State of the S	10. FIELD AND POOL OR WILD	
	O. Box 316 - Ignacio, C			Basin Fruitla	nd Coal
	Report location clearly and in acc	ordance with any State requir	ements.*)	2 11. SEC., T., R., M., OR BLK.	
At Surface 2165'	FSL & 380' FEL		Silver Office.	AND SURVEY OR AREA	
At proposed Prod. Zone				. Sec. 17, T31N	<i>√, R6W</i>
	FSL & 990' FEL		A many to the second se	d A	
	DIRECTION FROM NEAREST TO		K.	12. COUNTY OR PARISH	13. STATE
	les NE of Blanco, NM			San Juan	NM
	SED* LOCATION TO NEAREST PRO to nearest drlg. unit line, if any)	OPERTY 16. NO. OF ACRES I		17. NO. OF ACRES ASSIGNED TO TH	IIS WELL
380'			2552.77	320 - E/2	
	SED LOCATION* TO NEAREST WE	· · · · · · · · · · · · · · · · · · ·		20. ROTARY OR CABLE TOOLS	· · · · · · · · · · · · · · · · · · ·
	OR APPLIED FOR ON THIS LEASE	E, FT.	26141	D a 4	
30'	DE DE CD \		3614'	Rotary	
21. ELEVATIONS (Show whether				22. APPROX. DATE WORK WIL April 1, 2004	
23.		CASING AND CEMEN	TING PROGRAM	11pr tt 1, 2004	
SIZE OF HOLE	SIZE OF CASINO	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF	CEMENT
12-1/4	4" 9-5/8"	36.0#	+/- 300'	~206 cu.ft. Type III w	7 2% CaCl 2 & Cl
8-3/4	7"	20.0#	+/- 3471'	~903cu.ft.65/35 poz 8	******
6-1/4	5-1/2"	15.5#	~ 3371' - 3620'	Open hole completion	ı - no cement
described location Jurisdiction of the This location has a submitted directly This APD also is s No new access roc road that crosses: sec 5, T31N, R6W, where it joins San IN ABOVE SPACE DESCR	t in accordance with a Bureau of Reclamative been archaeologically to your office. The wife Pipeline & West of the W/2 sec 17, NW of the SW qtr sec 32, E. Juan County road #4	the attached drilling ion. y surveyed by Inderection to obtain BLM ell Plats #3 & #4). The sec 16, W/2 sec 3/2 sec 31, all sec 3/1020. If proposal is to deepen or plug	g and surface use pla pendent Contract Arc road and pipeline rig The well will be acces 9, N/2 sec 8, NE qtr s 0, T32N, R6W and the	the Fruitland Coal formations. The Surface is under haeology. Copies of their ght-of-ways. This well wissed by utilizing an exist sec 7, SE qtr sec 6, SW que NE qtr of sec 25. T32N cotive zone and proposed new productive.	r the ir report have be ill require ing tr 7, R7W ve zone.
24.	n directionally, give pertinent data	a on subsurface locations and	measured and true vertical depths.	Give blowout preventer program, if an	ny.
SIGNED	4-	•	: Larry Higgins Drlg COM	M DATE 2/23	1/2004

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.

ORILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

OTHER SUBJECT TO COMPLIANCE WITH ATTACHED

*See Instructions On Reverse Side

APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

"GENERAL REQUIREMENTS"

(This space for Federal or State office use)

CONDITIONS OF APPR APPROVED BY

This action is subject to technical and procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4 District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer'DD, Artesia, NM 88211-0719

District III 1000 R10 Brazos Rd., Aztec, NM 87410

'API Number

17

31N

320.0 Acres - (E/2)

6W

Р

12 Cedicated Acres

District IV PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Cooles

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-04	(5-3	32190	2	71629)	BASIN FRUITLAND COAL				
Property 1703			Property Name ROSA UNIT						*Well Number 276A	
'0GRID 12078				*Operator Name WILLIAMS PRODUCTION COMPANY					*Elevation 6411	
<u> </u>					¹⁰ Surface	Location	•			
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West liv	e County	
I	17	31N	6W		2165	SOUTH	380	EAST	SAN JUA	
	•	11 [ottom	Hole L	ocation I	f Different	From Surt	ace		
UL or lot no.	Section	Township	Rance	Lot Ion	Feet from the	North/South line	Feet from the	i Fast/West 110	e Caunty	

Pool Code

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SOUTH

¹⁴ Consolidation Code

990

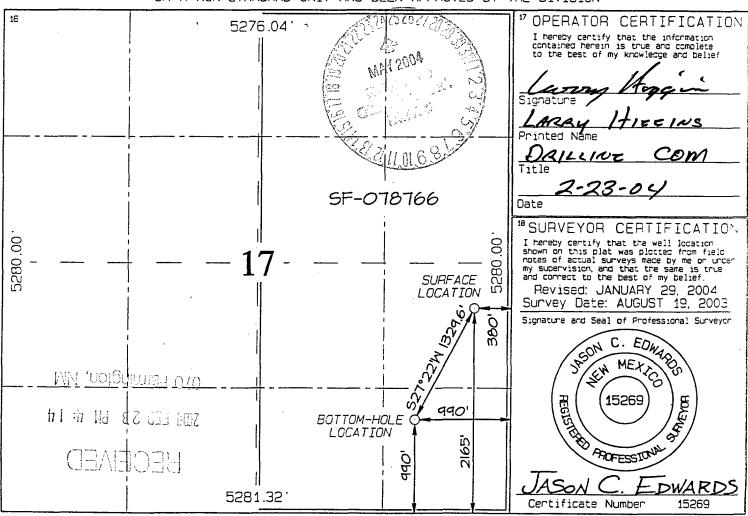
¹⁵ Order No.

EAST

SAN JUAN

990

Joint or Infill





WILLIAMS PRODUCTION COMPANY

Operations Plan

(Note: This procedure will be adjusted on site based upon actual conditions)

DATE:

2/23/2004

WELLNAME:

Rosa Unit #276A

FIELD:

Basin Fruitland Coal

BH LOCATION:

SESE Sec 17-31N-6W

MINERALS:

FED

SURF. LOCATION:

San Juan, NM NESE Sec 17-31N-6W

ELEVATION:

6411' GR

MINERALS:

FED

TOTAL DEPTH:

3614'

LEASE #

SF-078766

I. GEOLOGY:

Surface formation - San Jose

A. FORMATION TOPS: (KB)

NAME	TVD	MD	NAME	TVD	MD
San Jose	Surface	Surface	Top Coal	3,116	3,491
Nancimiento	1,041	1,058	Bottom Coal	3,236	3,611
Ojo Alomo	2,381	2,721	Pictured Cliffs	3,241	3,620
Kirtland	2,501	2,854	TD	3,238	3,614
Fruitland	2,986	3,360			

B. LOGGING PROGRAM: None

C. <u>NATURAL GAUGES</u>: Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

- A. <u>MUD PROGRAM</u>: Clear water with benex to 7" casing point. Treat for lost circulation as necessary. Expect 100% returns prior to cementing. Notify Engineering of any mud losses. If coal is detected before 3028' DO NOT drill deeper until Engineering is contacted.
- **B.** <u>Drilling Fluid:</u> Coal section will be drilled with Fruitland Coal water. Mud logger will pick TD at +/- 3614'.
- C. MUD LOGGING PRORAM: Mud logger will be on location at drill out below 7" casing to TD.

C. <u>BOP TESTING</u>: While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the rams will be tested to 1500 psi. The surface and intermediate casing strings will be pressure tested to 1500 psi in conjunction with the BOP test before drilling out cement. The drum brakes will be inspected and tested each tour. All tests, inspections and SPR's will be recorded in the tour book as to time and results.

III. MATERIALS

A. CASING PROGRAM:

CASING TYPE	HOLE SIZE	DEPTH (MD)	CASING SIZE	WT. & GRADE
Surface	12-1/4"	+/- 300'	9-5/8"	36# K-55
Intermediate	8-3/4"	+/- 3471'	7"	20# K-55
Prod. Liner	6-1/4"	+/- 3371-3620'	5-1/2"	15.5# K-55

B. FLOAT EQUIPMENT:

- 1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe.
- 2. <u>INTERMEDIATE CASING:</u> 7" cement nose guide shoe with a self- fill insert float. Place float one(1) joint above the shoe and five(5) centralizers, spaced every other joint, starting with the float collar. Place turbulent centralizers, at 120' intervals, starting at 1585' to the surface. Total centralizers = 5 regular and 14 turbulent.
- 3. PRODUCTION LINER: 5-1/2"liner with notched collar on bottom.

C. CEMENTING:

(Note: Volumes may be adjusted onsite due to actual conditions)

- 1. <u>SURFACE</u>: Use <u>155 sx</u> (206 cu.ft.) of "Type III" with 2% CaCl₂ and 1/4# of cello-flake/sk (Yield = 1.41 cu.ft./sk, Weight = 14.5 #/gal.). Use 100% excess to circulate the surface. WOC 12 hours. Total volume = 206 cu.ft. Test to 1500#.
- 2. INTERMEDIATE: Lead 430 sx (903 cu.ft.) of "Type III" 65/35 poz with 8% gel, 1% CaCl₂ and 1/4# cello-flake/sk (Yield = 2.09 cu.ft./sk, Weight = 12.1 #/gal.). Tail 50 sx (70cu.ft.) of "Type III" with 1/4# cello-flake/sk, and 1% CaCl₂ (Yield = 1.4 cu.ft./sk, Weight = 14.5#/gal.). Use 100% excess in Lead Slurry to circulate to surface. No excess in Tail Slurry. Total volume = 973 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.
- 3. PRODUCTION LINER: Open hole completion. No cement.

IV COMPLETION

A. PRESSURE TEST

Pressure test 7" casing to 3300# for 15 minutes.

B. STIMULATION

<u>Cavitate Well</u> with reciprocation and rotation. Surge wells with water and air and then flow back to pit. Cavitate for 2 to 3 weeks. Maximum pressure not expected to exceed 2,000 psi.

C. RUNNING TUBING

1. <u>Fruitland Coal:</u> Run 2-3/8", 4.7#, J-55, EUE tubing with a SN (1.375" ID) on top of bottom joint. Land tubing approximately 50' above TD.

Sr. Drilling Engineer

file:Rosa276A

Williams Production Company, LLC

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Typical BOP setup

