Form 3160-3 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires January 31, 2004

| 5. | Lease | Serial | No. | |
|----|-------|--------|-----|--|
| | | | | |

| | NMSF- | -079165 | |
|------|--------|----------|---------|
| 6 If | Indian | Allottee | or Trib |

| • | APPLICATION | ON FOR PEI | RMIT TO DR | ILL OR RI | ENTER NOV | 13 PM | 4 35 | or Tribe Name | : |
|---|---|-------------------------------------|---|---------------------------------|--|------------------------------|------------------------------------|-------------------------------------|----------------|
| la. Type of Work: | ☑ DRILL | - | ☐ REENTER | - | <u> </u> | ECEIVE | 7. If Unit or CA Agree | ement, Name and No. | - |
| | | | | | | - | TOGG VIII. | | _ |
| lb. Type of Well: | Oil Well | ☑ Gas Well [| Other | ⊠ Si | ngle Zone 070 Mulfi | R Zone G | (8:) Lease Name and We 15C | ell No. | _ |
| 2. Name of Operato | or | | | | 293031 | 12384 | 9. API Well No. | | |
| Williams Pro | duction Compa | nv. LLC | | | AD A | 8 | 30-039 | 7-30111 | |
| 3a. Address | V | - | | 3b. Phone No | Include area code) | :D O | 10. Field and Pool, or E | Exploratory | _ |
| P.O. Box 640 | Aztec, NM 874 | 10 | | (5054 | B34-4208-C | | Blanco Mesaver | rde | |
| 4. Location of Well | (Report location c | learly and in acc | ordance with any S | tate require | Ints. ") APR 20 | 111 4 | 1. Sec., T., R., M., or | Blk. and Survey or Area | |
| At surface | 1370' FNL 8 | | | /5 | OIL CONS. DIV. | DIST8 | | | |
| At proposed proc | d. zone | | | /, | J OIL CONSTANT | | G Section 29, 31N | 5W | |
| 14. Distance in miles | and direction fro | m nearest town o | r post office* | • | نتش . 🖎 | | 12. County or Parish | 13. State | - |
| approximately | 25 miles north | east of Blanco. | New Mexico | | SE 05 01 81 FT 81 | CL T | Rio Arriba | .,, | |
| 15. Distance from pro- location to neares | oposed* | | | 16. No. of A | cres in lease | 17. Spacing | Unit dedicated to this w | /ell | _ |
| property or lease | line, ft. | | | | | | | | |
| (Also to nearest o | | ւ ոջ) 1370 | <u>, </u> | 160.0 | • | 320.0 | 00 – (E/2) | | |
| 18. Distance from pro | | | | 19. Proposed Depth | | 20. BLM/BIA Bond No. on file | | | |
| to nearest well, dr applied for, on thi | | • | | | | | | | |
| | | 1000' | <u>,</u> | 6,202 | | JUT08 | | | _ |
| 21. Elevations (Show | v whether Dr, K ils action is sub | | | 1 | | | 23. Estimated duration | n | |
| 6,398' GR | ocedural reviev | v pursuant to 40 | CFA 3165.3 | | . 2007 | | 1 month | | _ |
| an | id appeal pursu | ant to 43 CFR 3 | 165.4 | 24. Attac | chments | | DRILLING OPER | RATIONS AUTHORIZED | ARE |
| The following, comple | eted in accordanc | e with the require | ments of Onshore | Oil and Gas | Order No.1, shall be att | ached to this f | form: SUBJECT TO C "GENERAL REC | OMPLIANCE WITH ATTA DUIREMENTS". | CHED |
| 1. Well plat certified I | by a registered su | гуеуог. | | 1 | 4. Bond to cover th | e operations | unless covered by an e | xisting bond on file (see | |
| 2. A Drilling Plan. | | | | i | ltem 20 above). | | | | |
| 3. A Surface Use Pla | , | | | ands, the | 5. Operator certific | | mation and/or nlane as | may be required by the | |
| SUPO shall be fil | led with the appi | ropriate Forest S | service Office). | | authorized office | | mation and or plans as | s may be required by the | |
| 25. Signatyré | 1// | | | Name | (Printed/Typed) | | | Date | : |
| (com | of It in | ain | | ! | Larry Higgins | | | Date 11-9-06 | |
| Title | / | 7 | | L . | Larry miguris | | | <u> </u> | - |
| Drilling COM | | | | | | • | | | |
| Approved by (Signatus | re) / 1/1 | 1/1 | | Name | (Printed/Typed) | · · · · · · · | | Date -//- | - - |
| | (D)// | Calles | 2051 |) | | | | 4/27/67 | / |
| Title | | AT | =u | Office | FFO |) | | · | |
| | does not warrant | or certify that the | applicant holds le | gal or equital | ole title to those rights in | n the subject le | ease which would entitle | the applicant to conduct | - |
| operations thereon. | d ifanu ana atta | shad | | | | | | | |
| Conditions of approva | | | | | | | | | = |
| Title 18 U.S.C. Section States any false, fictiti | on 1001 and Title ious or fraudulent | 43 U.S.C. Section statements or rep | on 1212, make it oresentations as to | a crime for an any matter wi | y person knowingly an thin its jurisdiction. | d willfully to | make to any department | t or agency of the United | |
| | | | | | | | | | = |

*(Instructions on reverse)

Williams Exploration and Production Company, LLC, proposes to develop the Blanco Mesaverde formation at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the New Mexico Department of Game and Fish (NMGF) and the Bureau of Land Management, Farmington Field Office (BLM/FFO). A Grant of Easement for the NMGF portion will be submitted to the BLM/FFO.

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM and NMGF.

A pipeline tie of 187.20.10 feet would be required for this location. The pipeline would be located on NMGF lands.



NOTIFY AZTEC OCD 24 HRS. PRIOR TO CASING & CEMEN.

District I PO Box 1980, Hobbs, NM 88241-1980

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

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

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

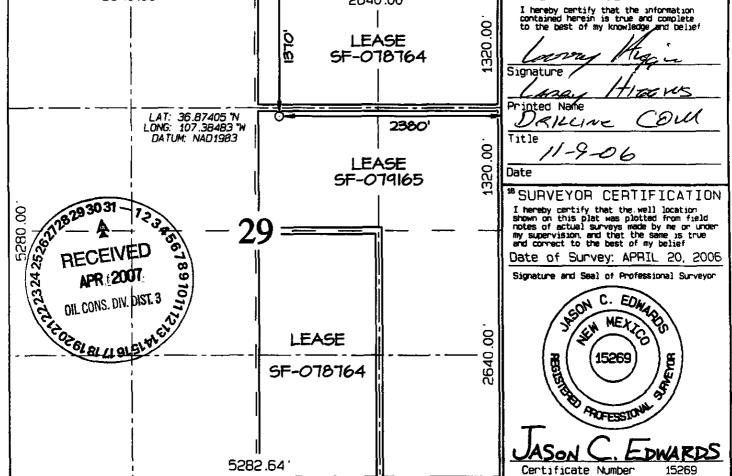
Form C-102 Revised February 21, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies 2006 NOV 13 PM 4 35

RECEIVED REPORT

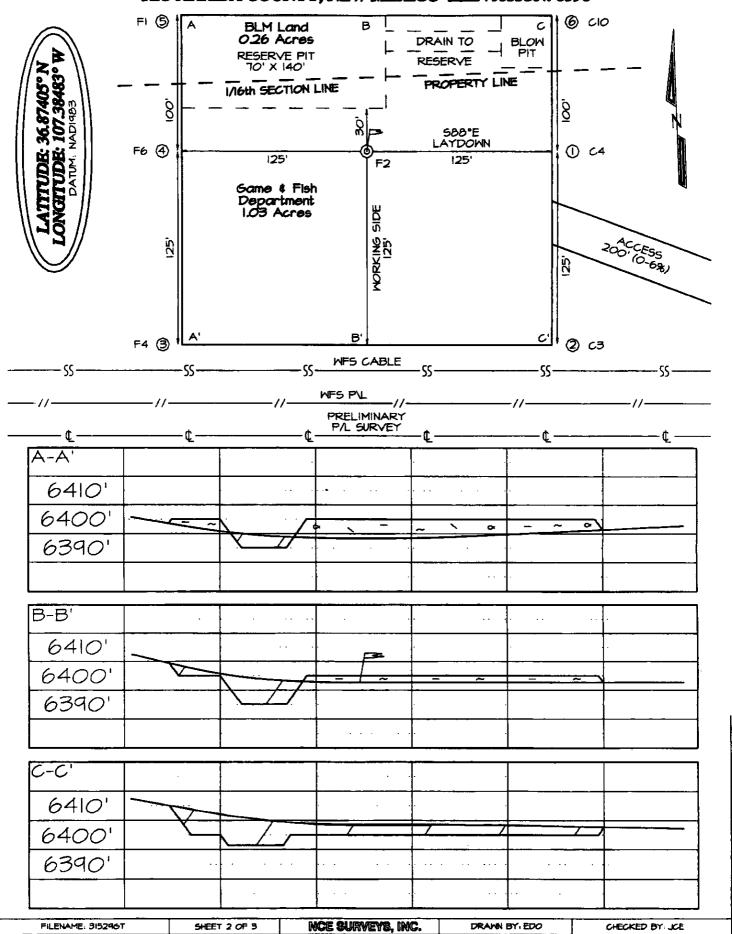
070 EARMINGTON NM

| | | | | | | | | 070 | FARMIN | (GTO) | N NM |
|-------------------------------|--|----------------|----------------------------|-------------|----------------------------|----------------------------------|--------------------|---------------------|--|-----------|---------------|
| | | | WELL | LOCAT | ION AND A | CREAGE DED: | ICAT | ION PL | .AŢ | | |
| 10 | PI Number | <u> </u> | | Pool Cod | | | | *Pool Nam | _ | | · |
| 30-039 | 1-30 | Щ | | 72319 | 3 | | BLAN | ICO MESA | AVENDE | | |
| • | *Property Code *Property Name *Well Number | | | | | | | | | | |
| 1703 | 3 | | | | ROSA | UN11 | _ | | | | 15C |
| 'OGRID N | - | , | | | *Operator | | | | | _ | levation |
| 1207B | 32 | <u> </u> | | WILL | IAMS PRODU | CTION COMPAN | NY | | | | 6398 ′ |
| | | _ | | | ¹⁰ Surface | Location | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | | et from the | East/Mest | lune | County RIO |
| G | 29 | 31N | 5W | | 1370 | NORTH | 2380 | | EAS' | T | ARRIBA |
| | · | 11 E | Bottom | Hole L | ocation I | f Different | Fro | om Surf | асе | | *********** |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Fel | it from the | East/West |) and | County |
| | | | | | <u> </u> | | 1 | | | | |
| ⁵⁷ Dedicated Acres | | .O Acre | s – 1F | /2) | S Joint or Infill | ⁵⁴ Consolidation Code | ²⁵ Orde | r No. | | | |
| | | .0 ACI C | | , L, | <u> </u> | | <u> </u> | <u></u> | <u>. </u> | | |
| NO ALLOW | IABLE W | ILL BE OR A | ASSIGNE | D TO TH | IS COMPLETI UNIT HAS BE | ON UNTIL ALL EN APPROVED | INTE BY 1 | ERESTS H HE DIVI | AVE BEE SION | N CON | ISOLIDATED |
| 16 | 264 | 0.00, | | | 26.4 | 0.00 ' | | 17 OPER | ATOR C | ERTI | FICATION |
| | | 1 | | 1 1 | 204 | 0.0 0 | | I hereby | certify the | t the 1 | nformation |
| | | | | <u>ا</u> ار | | 1 | 8 | to the | pest of my k | now ledge | and belief |
| | | i i | | | ! LE/ | ASE 78764 | 320. | | ת הנפחה | Hi- | * |
| | | | | " | : 5F-U | 10104 | 13 | Signatur | e / | 7 | gue _ |
| | | | | | | | | 1/4 | - 1 20 | 412 | eks_ |
| | | <u> </u> | | | <u> </u> | <u> </u> | | Printed | Name | | |
| | | LONG: 1 | 16.87405 °N 107.38483 ° | ו ש' | | 2380 | • | DRI | LLINE | | 8M |
| | | I DATUM | : NAD1983 | · | | | | Title | 1-9-0 | | |
| | | | | | Į F. | ASE | 00.0 | | -7-0 | 6 | |



| Submit 3 Copies To Appropriate District | State of New Mexico | Form C-103 |
|--|--|---------------------------------------|
| Office District I | Energy, Minerals and Natural Resources | May 27, 2004 |
| 1625 N. French Dr., Hobbs, NM 88240 | WELL API NO. | |
| District II | OIL CONSERVATION DIVISION 30-039 - 30(1) | |
| 1301 W. Grand Ave., Artesia, NM 88210 District III | 1220 South St. Francis Dr. 5. Indicate Type of Lease FE | |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | STATE FEE | |
| District IV | Santa Fe, NM 87505 6. State Oil & Gas Lease No. | |
| 1220 S. St. Francis Dr., Santa Fe, NM | NMSF-079165 | |
| 87505 SLINDRY NOT | TICES AND REPORTS ON WELLS 7. Lease Name or Unit Agree | ment Name |
| | OSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Rosa | ment ivanic |
| | JICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number | |
| PROPOSALS.) | | |
| 1. Type of Well: Oil Well | Gus Weit 🔼 Outer | |
| 2. Name of Operator | 9. OGRID Number | |
| | Production Company, LLC 120782 | |
| 3. Address of Operator | 10. Pool name or Wildcat | |
| | D. Box 640, Aztec, NM Blanco Mesaverde | |
| 4. Well Location | | |
| Unit LetterG: _137 | 70 feet from the N line and 2380 feet from the E lin | ie |
| Section 29 To | ownship 31N Range 05W NMPM County Rio Arriba | |
| | 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | |
| | 6398' GR | |
| Pit or Below-grade Tank Application | | The side of many to problem and their |
| | Groundwater_>100 ft_Distance from nearest fresh water well_>1000 ft_ Distance from nearest surfac | e water >500 ft |
| | | |
| Pit Liner Thickness: 12 n | mil Below-Grade Tank: Volumebbls; Construction Material | |
| 12. Check | Appropriate Box to Indicate Nature of Notice, Report or Other Data | |
| | | |
| | NTENTION TO: SUBSEQUENT REPORT OF | |
| PERFORM REMEDIAL WORK | | CASING |
| TEMPORARILY ABANDON | - | |
| PULL OR ALTER CASING |] MULTIPLE COMPL ☐ CASING/CEMENT JOB ☐ | |
| | | |
| OTHER: | OTHER: | |
| | repleted operations. (Clearly state all pertinent details, and give pertinent dates, including work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of propo | |
| additional site disturbance and p | ated approximately 50 to 75 feet from well head. Pit multi-use drilling and comp pit will be considered out of service once production tubing set. Pit to be construnce with NMOCD guidelines and Williams procedures. | |
| I hereby certify that the information grade tank has been/will be constructed of | on above is true and complete to the best of my knowledge and belief. I further certify that or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-ap | any pit or below- |
| SIGNATURE Corry H | TITLE Drilling COM DATE 11-9- | -06 |
| Type or print name Larry Higg | gins E-mail address: Larry.Higgins@williams.com Telephone No. 505-634 | I-4208 |
| For State Use Only | | MAY 0 1 2007 |
| APPROVED BY: Conditions of Approval (if any): | TITLE DATE_ | |

WILLIAMS PRODUCTION COMPANY ROSA UNIT #15C 1370' FNL & 2380' FEL, SECTION 29, T31N, R5W, NMPM RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6398'





WILLIAMS PRODUCTION COMPANY

Operations Plan

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

DATE:

9/8/2006

FIELD:

Blanco MV

WELL NAME:

Rosa #15C

SURFACE:

NMGF

BH LOCATION:

SWNE Sec 29-31N-5W

MINERALS:

FED

ELEVATION:

6,398' GR

Rio Arriba, NM

LEASE#

SF-079165

MEASURED DEPTH:

6,202

I. **GEOLOGY:**

Surface formation - San Jose

A. FORMATION TOPS: (KB)

| Name | MD | Name | MD |
|----------------|-------|---------------|-------|
| Ojo Alamo | 2,542 | Cliff House | 5,462 |
| Kirtland | 2,652 | Menefee | 5,512 |
| Fruitland | 3,022 | Point Lookout | 5,727 |
| Picture Cliffs | 3,267 | Mancos | 6,027 |
| Lewis | 3,557 | TD | 6,202 |

- B. MUD LOGGING PROGRAM: None
- C. <u>LOGGING PROGRAM</u>: High Resolution Induction log from surface casing to TD and intermediate shoe to TD. GR and Density/ Neutron log over zones of interest. Onsite geologist will pick Density/ Neutron log intervals on both logging runs.
- **D.** <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. Convert to a LSND mud to log and run pipe. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses. Use air w/Air Hammer from 7 in. csg.to TD.
- B. <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 BOPE will be tested to 250 psi (Low) for 5 minutes and 1500 psi (High) for 10 minutes. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. All tests and inspections will be recorded in the tour book as to time and results.

III. MATERIALS

A. CASING PROGRAM:

| CASING TYPE | OH SIZE (IN) | DEPTH (| MD) (FT) | CASING SIZE (IN) | WEIGHT(LB) | GRADE |
|--------------|--------------|---------|----------|------------------|------------|-------|
| Surface | 12 1/4 | 3(| 00 | 9 5/8 | 36 | K-55 |
| Intermediate | 8 3/4 | 3,7 | 742 | 7 | 20 | K-55 |
| Liner | 6 1/4 | 3,642 | 6,202 | 4 1/2 | 10.5 | J-55 |

B. FLOAT EQUIPMENT:

- 1. <u>SURFACE CASING:</u> 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (3) joints of Surface Casing.
- 2. <u>INTERMEDIATE CASING:</u> 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) Turbulent centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) Turbulent centralizer at 2,700 ft., 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. (NTL-FRA 90-1).
- 3. PRODUCTION CASING: 4-1/2" & 5-1/2" whirler type cement nose guide shoe with a latch collar on top of 20' bottom joint. Place marker joint above 5,400'. Place centralizers as needed across selected production intervals.

IV. CEMENTING:

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

- SURFACE: Slurry: 150sx (205 cu.ft.) of "Type III" + 2% CaCl₂ + ¼ # of cello-flake/sk (Yield = 1.39 cu.ft./sk, Weight = 14.5 #/gal.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 1500psi.
- 2. <u>INTERMEDIATE</u>: Lead 475 sx (985 cu.ft.) of "Premium Light" 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 (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 = 1,055 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.
- 3. PRODUCTION LINER: 10 bbl Gelled Water spacer. Cement: 155 sx (328 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, ¼ #/sk cello flake and 4% Phenoseal. (Yield = 2.15 ft³/sk, Weight = 12.3 #/gal.). Displace cement at a minimum of 8 BPM. The 20% excess in lead and tail should cover 100 ft into intermediate casing. Total volume 328 ft³. WOC 12 hours

V. IV COMPLETION

A. CBL

1. Run Cement Bond Log across all intervals to be perforated and find Top of Cement behind all casing strings if cement is not circulated to surface.

B. PRESSURE TEST

1. Pressure test 7" & 4-1/2" casing to 3300# for 15 minutes.

C. STIMULATION

- 1. Perforate the Point Lookout as determined from the open hole logs.
- 2. Stimulate with approximately 9,300# of 14/30 LiteProp™ sand in slick water.
- 3. Isolate Point Lookout with a CIBP.
- 4. Perforate the Menefee/Cliff House as determined from the open hole logs.
- 5. Stimulate with approximately 9,300# of 14/30 LitePropTM sand in slick water.
- 6. Test each zone before removing bridge plugs.

D. RUNNING TUBING

1. <u>Mesa Verde:</u> Run 2-3/8", 4.7#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforation.

Gary Sizemore
Sr. Drilling Engineer

Rosa #015C Ops Plan.doc

GENERAL ROSA DRILLING PLAN

Rosa Unit boundries:

T31N, R4W: all except sections 32-36 T31N, R5W: all except sections 1 & 2

T31N, R6W: all except sections 6,7,18,20, & 27-36

T32N, R6W: sections 32-36

| FORMATION | LITHOLOGY | WATER | GAS | OILCOND | OVER-PRES | LOST CIRC |
|-------------|--|--|--|----------|-----------|-----------|
| Nacimiento | Interbedded shales, siltstones and | Possible | Possible | No | No | No |
| | sandstones | <u> </u> | <u>L</u> | L | Ĺi | |
| Ojo Alamo | Sandstone and conglomerates | Fresh | No | No | No | No |
| | with lenses of shale | į. | | [| | |
| Kirtland | Shale W/interbedded sandstones | No | Possible | No | No | No |
| Fruitland | Inter, SS, SiltSt, SH &Coals w/carb, | Yes | Yes | No | Possible | Possible |
| | SS, SMS1, SH | ! | | (| | |
| Pictured | Massive Sandstone w/thin | Possible | Yes | Possible | No | Possible |
| Cliffs | interbedded shales | <u>. </u> | <u> </u> | i | | |
| Lewis | Shale within interbedded sandstones | No | Possible | No | No | No |
| [| and siltstones | | | | [| |
| Cliff House | Transgressive sandstones | Possible | Yes | No | No | No |
| Menefee | Sandstones, carb shales and coal | Possible | Yes | No | No | No |
| Point | Regressive coastel barrier | Possible | Yes | Possible | No | Yes |
| Lookout | sandstone | | | | | |
| Mancos | Marine shale and interbedded sandstone | No | Possible | Possible | No | Possible |
| Jpr Dadota | Marine sand and shales | No | Yes | Possible | No | Possible |
| wr Dakota | Fluvial sands, shales, & coal | Possible | Yes | Possible | No | Possible |

DRILLING

Potential Hazards:

- 1. There are no overpressured zones expected in this well.
- 2. No H2S zones will be penetrated while drilling this well.

Mud System:

- Surface The surface hole will be drilled with a low-solids, non-dispersed system with starch and lost circulation material as needed. Expected mud weights will be in the 8.4 to 9.0 lb per gal range. Viscosities will be in the 30 to 60 sec/qrt range as needed to remove drill cuttings.
- 2. Intermediate The Intermediate hole will be drilled with clear water and Benex to TD where the well will be mudded up to log and run casing. The mud system will be low-solids, non-dispersed with mud weights in the 9 to 10 lb per gal range as needed to control the well. Viscosities will be in the 45 to 55 range as needed to support any weight material. The weight material will consist of Barite.
- Production The well will be drilled using air from the intermediate casing point to TD. For Fruitland Coal wells, the coal section will be drilled with air/mist.

.....ums rroduction company, LLC

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Typical BOP setup

