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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farrington Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

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AUG 23 2010

2. Name of Operator

Williams Production Company, LLC

3a. Address

PO Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

505-634-4208

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2460' FNL & 2095' FWL, sec 25, T31N, R5W

5. Lease Serial No.

NMSF 0078768

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

Rosa Unit

8. Well Name and No.

Rosa Unit SWD #2

9. API Well No.

30-039-30812

10. Field and Pool or Exploratory Area

Entrada

11. Country or Parish, State

Rio Arriba

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Casing Change
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Williams Production requests authorization to change the casing design on this well from the 4 string design permitted to a 3 string design, consisting of 13-3/8", 68#, K-55, ST&C or buttress surface casing set at 500', 9-5/8", 40#, K-55, ST&C intermediate casing set at 3751' and 7", 26#, N-80, LT&C production casing set at 9386', as shown on the attached drawing. This drawing also shows the revised cement procedures.

Due to depth to ground water this well will be drilled with a closed-loop mud system instead of the conventional system with reserve pit as permitted

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Larry Higgins

Title Permit Supervisor

Signature

Date 8/5/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy L. Solvers

Title Petroleum Eng.

Date 8/20/2010

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

OPERATOR
NMOC

[Signature]

RCVD AUG 24 '10
OIL CONS. DIV.
DIST. 3

Rosa Unit SWD # 2

2460' FNL 2095' FWL

Sec 25 T31N R5W

GL: 6,447'

Surface: 17-1/2" re-tip tricone bit, water with gel sweeps to **500'** Casing: 13-3/8" 68# K-55 ST&C or Buttress Thread @ **500'** Cement: 10 bbl FW spacer, Slurry: 440 sx (436 ft³) Premium Plus Type III + 2% Cal-Seal 60 + 1/4 #/sk Poly-E-Flake + 0.3% Versaset + 2% Econolite + 6% Salt (13.5 lb/gal, 1.800 ft³/sk) WOC 12 hours.. **V_T = 792 ft³**

Intermediate: 12-1/4" TCI bit, LSLD/EZ-MUD fluid system to **3,751'** Casing: 9-5/8" 40# K-55 ST&C @ **3,751'** Cement: 20 bbl FW spacer, Lead - 770 sx (2102 cu.ft.) of "EXTENDACEM" + 5 #/sk pheno-seal + 5% Cal-Seal 60 + 0.5% D-AIR 3000 (Yield = 2.73 cu.ft./sk, Weight = 11.5 #/gal.). Tail - 100 sx (118 cu.ft.) of Premium cement + 0.125 #/sk Poly-E-Flake, (Yield = 1.18 cu.ft./sk, Weight = 15.6#/gal.). Total volume = 2220 cu.ft

Production: 8-3/4" AIR / LSLD/EZ-MUD fluid system to **9,386'** Casing: 7" 26# N-80 LT&C @ **9,386'** Cement: 10 bbl Gelled Water spacer. Lead - 455 sx (974 ft³) "FracSeal" + 0.2% Versaset + 0.15% Halad-766 + 3% Foamer 760 w/ 48013 scf Nitrogen (Yield = 2.14 ft³/sk, Weight = 9.2 #/gal). Tail Cement: 140 sx (196 ft³) of "FRACCEM" + 0.8% Halad-9 + 0.1% CFR-3 + 5 #/sk Gilsonite + 0.125 #/sk Poly-E-Flake + 0.1% HR-5 + 0.3% D-AIR 3000. (Yield = 1.40 ft³/sk, Weight = 13.1 #/gal.). Displace cement at a minimum of 8 BPM. Total volume = 1170 ft³.

<u>Formation</u>	<u>Depth</u>
San Jose Fm.	Surface
Nacimiento Fm.	1381
Ojo Alamo Ss.	2651
Kirtland Sh.	2781
Fruitland Fm.	3096
Pictured Cliffs Ss.	3276
Lewis Sh.	3596
Cliff House Ss. Trans.	5211
Cliff House Ss.	5511
Menefee Fm.	5556
Point Lookout Ss.	5731
Manos Sh.	6021
Gallup Ss.	7086
Greenhorn Ls.	7806
Graneros Sh.	7856
Dakota Ss.	8001
Morrison Fm.	8251
Bluff Ss.	8751
Summerville Fm.	8921
Todilto Ls.	8996
Entrada Ss.	9036
Chinle Fm.	9311
Total Depth	9386

3- 1/2" 9.3# N-80 Tbing
Cplng OD: 4.5 - 4.18 in.

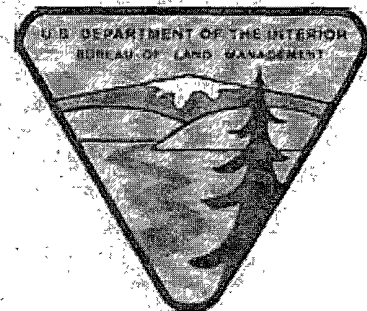
PACKER

TD: 9,386 FT.

DRILLING CONDITIONS OF APPROVAL

Operator: Williams Production Company
Lease No.: NMSE-078768
Well Name: Rosa Unit SWD #2
Well Location: Sec.25, T31N, R5W; 2460' FNL & 2095' FWL

- 1) Run a minimum of 3 centralizers on the surface casing.
- 2) Pressure test the surface casing to a minimum of 600 psi for 30 minutes, no more than a 10% bleed off is allowed.
- 3) Pressure test each string below the surface casing to a minimum of 1500 psi or .22psi/ft whichever is greater, for 30 minutes. No more than a 10% bleed off is allowed.
- 4) Minimum TOC behind the production string will be 100 ft inside the intermediate casing. Submit the CBL results to this office.



After hour contact: Troy Salyers 505-360-9815