

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** **DEEPEN**

1b. TYPE OF WELL
OIL **GAS** **OTHER** **SINGLE** **MULTIPLE**
WELL **WELL** **ZONE** **ZONE**

2. NAME OF OPERATOR
Williams Production Company, LLC

3. ADDRESS OF OPERATOR
c/o Walsh Engineering 7415 E. Main St., Farmington, NM 87402 (505) 327-4892

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At Surface *970' FSL and 1640' FWL*
 At proposed Prod. Zone *1480 FNL 660 FWL*

5. LEASE DESIGNATION AND SERIAL NO.
SF- 078762

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Rosa Unit

8. FARM OR LEASE NAME, WELL NO.
371

9. API WELL NO.
30-039-27239

10. FIELD AND POOL OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 13, T31N, R5W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
30 miles NE of Blanco, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
970'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

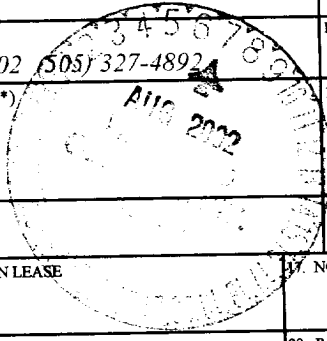
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.
100'

19. PROPOSED DEPTH
6028' (measured depth)

20. ROTARY OR CORE LOGGING
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6530'

22. APPROX. DATE WORK WILL START*
July 15, 2002



23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<i>12-1/4"</i>	<i>9-5/8"</i>	<i>36.0#</i>	<i>+/- 250'</i>	<i>~188 cu.ft. Type III with 2% CaCl₂</i>
<i>8-3/4"</i>	<i>7"</i>	<i>20.0#</i>	<i>+/- 3230'</i>	<i>~762 cu.ft. 65/35 poz & ~209 cu.ft. Type I</i>
<i>6-1/4"</i>	<i>4-1/2"</i>	<i>15.5#</i>	<i>+/- 3130' - 6028'</i>	<i>Open hole completion - no cement</i>

Williams Production Company proposes to drill a horizontal well to develop the Fruitland Coal formation at the above described location in accordance with the attached drilling and surface use plans. The surface is under the jurisdiction of the United States Forest Service (USFS), Jicarilla Ranger District of the Carson National Forest. This location has been archaeologically surveyed by Independent Contract Archaeology. Copies of their report have been submitted directly to your office.

This APD also is serving as an application to obtain road and pipeline right-of-ways. This well will not require any new access road (see Pipeline & Well Plats #3 & #4). The well will be placed on the same pad as the Rosa #61 which is located next to Forest Road 309B in the SE/SW of section 13, T31N, R5W.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *John C. Thompson* TITLE *John C. Thompson, Agent* DATE *5/22/02*

(This space for Federal or State office use)

PERMIT NO. _____ 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.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY */s/ David J. Mankiewicz* TITLE _____ DATE *AUG - 6 2002*

***See Instructions On Reverse Side**

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.

HOLD 0106 FOR *Directional Survey*

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

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

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

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-27239		² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 17033	⁵ Property Name ROSA UNIT		⁶ Well Number 371
⁷ GRID No. 120782	⁸ Operator Name WILLIAMS PRODUCTION COMPANY		⁹ Elevation 6530'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	31N	5W		970	SOUTH	1640	WEST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	13	31N	5W		1980	North	660	West	

¹² Dedicated Acres 320.0 Acres - (W/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-4759
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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

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

[Signature]

Signature
John C. Thompson

Printed Name
Agent/Engineer

Title
5/23/02

Date

¹⁸ SURVEYOR CERTIFICATION

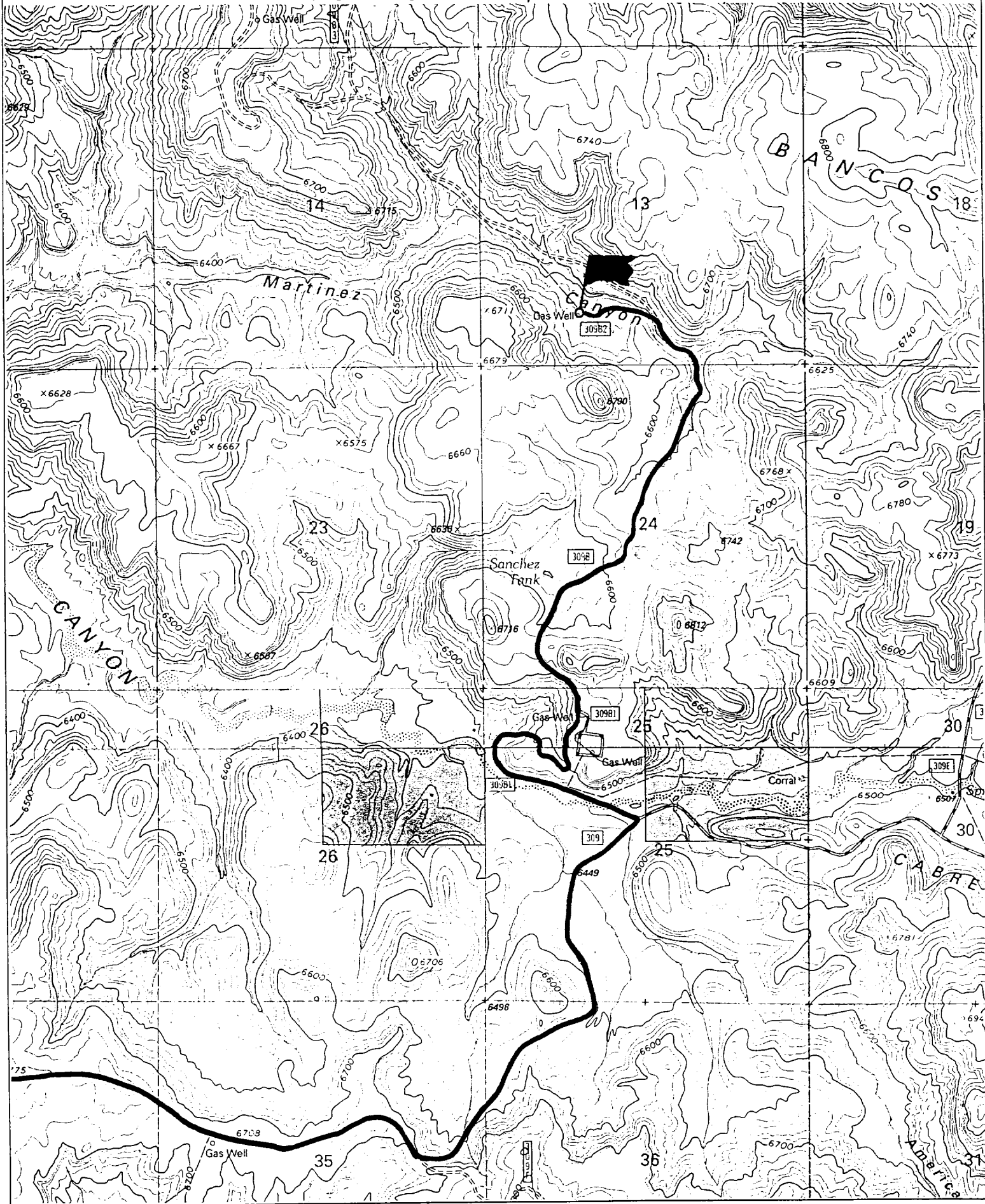
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Survey Date: FEBRUARY 8, 2002

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

WILLIAMS PRODUCTION COMPANY ROSA UNIT #371
970' FSL & 1640' FWL, SECTION 13, T31N, R5W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO



C. **BOP TESTING:** 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 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:

<u>CASING TYPE</u>	<u>HOLE SIZE</u>	<u>DEPTH</u>	<u>CASING SIZE</u>	<u>WT. & GRADE</u>
Surface	12-1/4"	250'	9-5/8"	36# K-55
Intermediate	8-3/4"	3230'	7"	20# K-55
Prod. Liner	6-1/4"	3130-6028'	5-1/2"	15.5# K-55

B. FLOAT EQUIPMENT:

1. **SURFACE CASING:** 9-5/8" notched regular pattern guide shoe.
2. **INTERMEDIATE CASING:** 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. **SURFACE:** Use 130 sx (188 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 125% excess to circulate the surface. WOC 12 hours. Test to 1500#.
2. **INTERMEDIATE:** Lead - 365 sx (762 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 - 150 sx (209cu.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 and tail to circulate to surface. Total volume = 971 cu.ft. WOC 12 hours. Run a temperature survey after 8 hours if cement is not circulated. Test to 1500#.
3. **PRODUCTION LINER:** Open hole completion. No cement.

IV COMPLETION

A. PRESSURE TEST

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

B. STIMULATION

None expected

Williams Production Company, LLC

Well Control Equipment Schematic for 2M Service

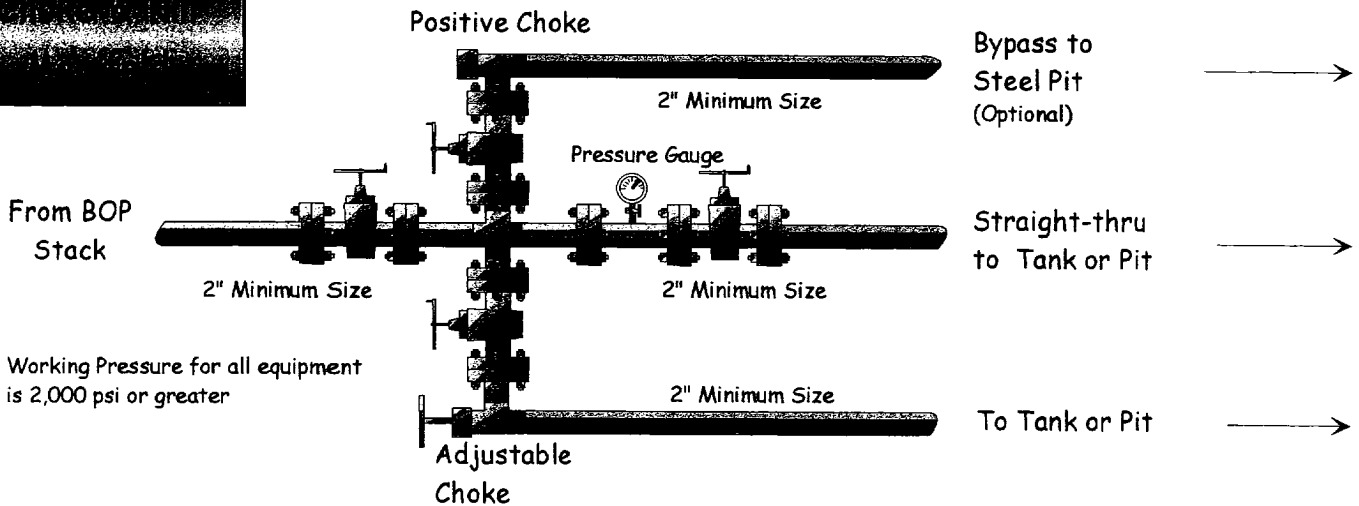
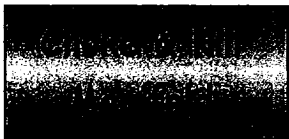
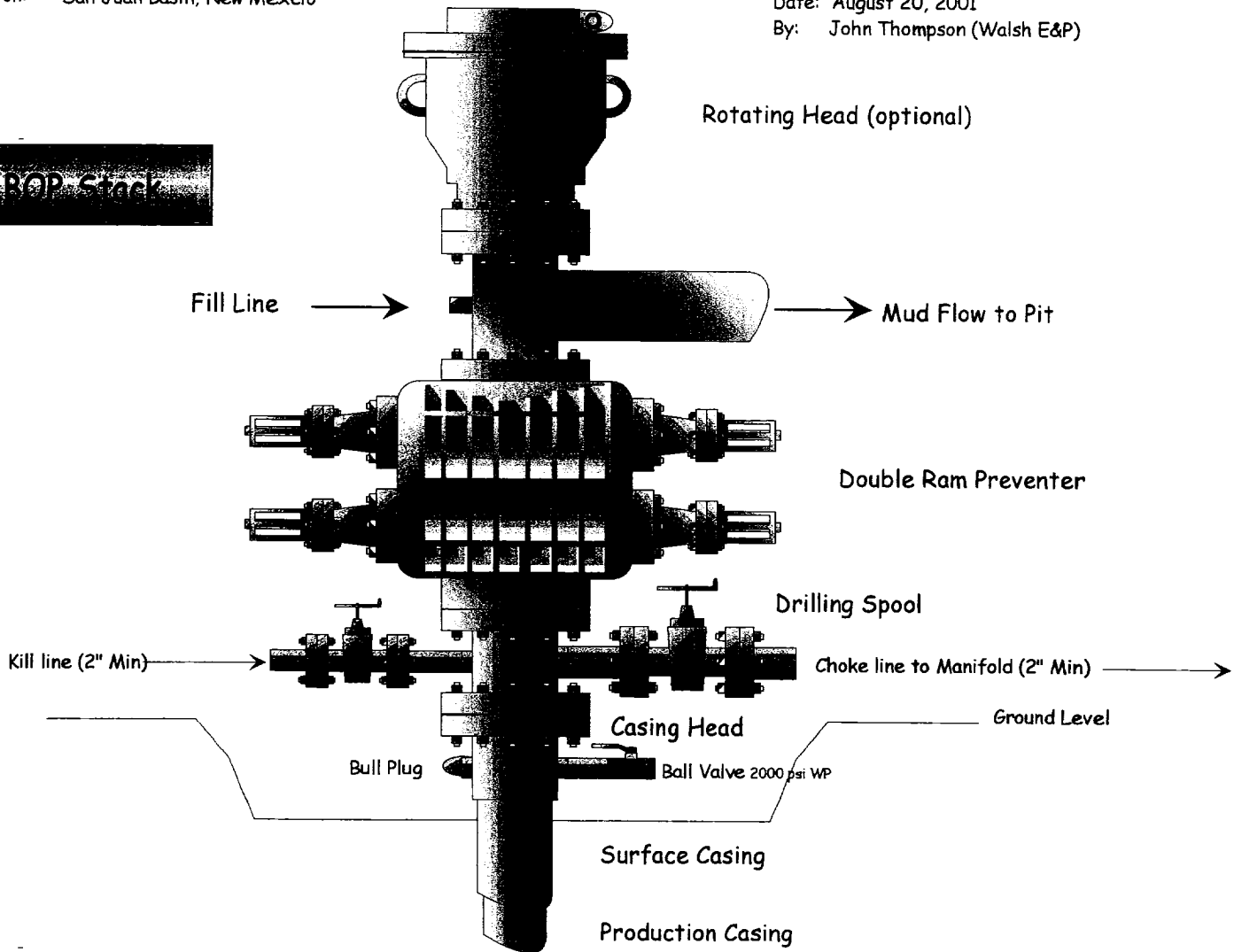
Attachment to Drilling Technical Program

Typical BOP setup

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)



Working Pressure for all equipment is 2,000 psi or greater

HALLIBURTON

Williams Production Company

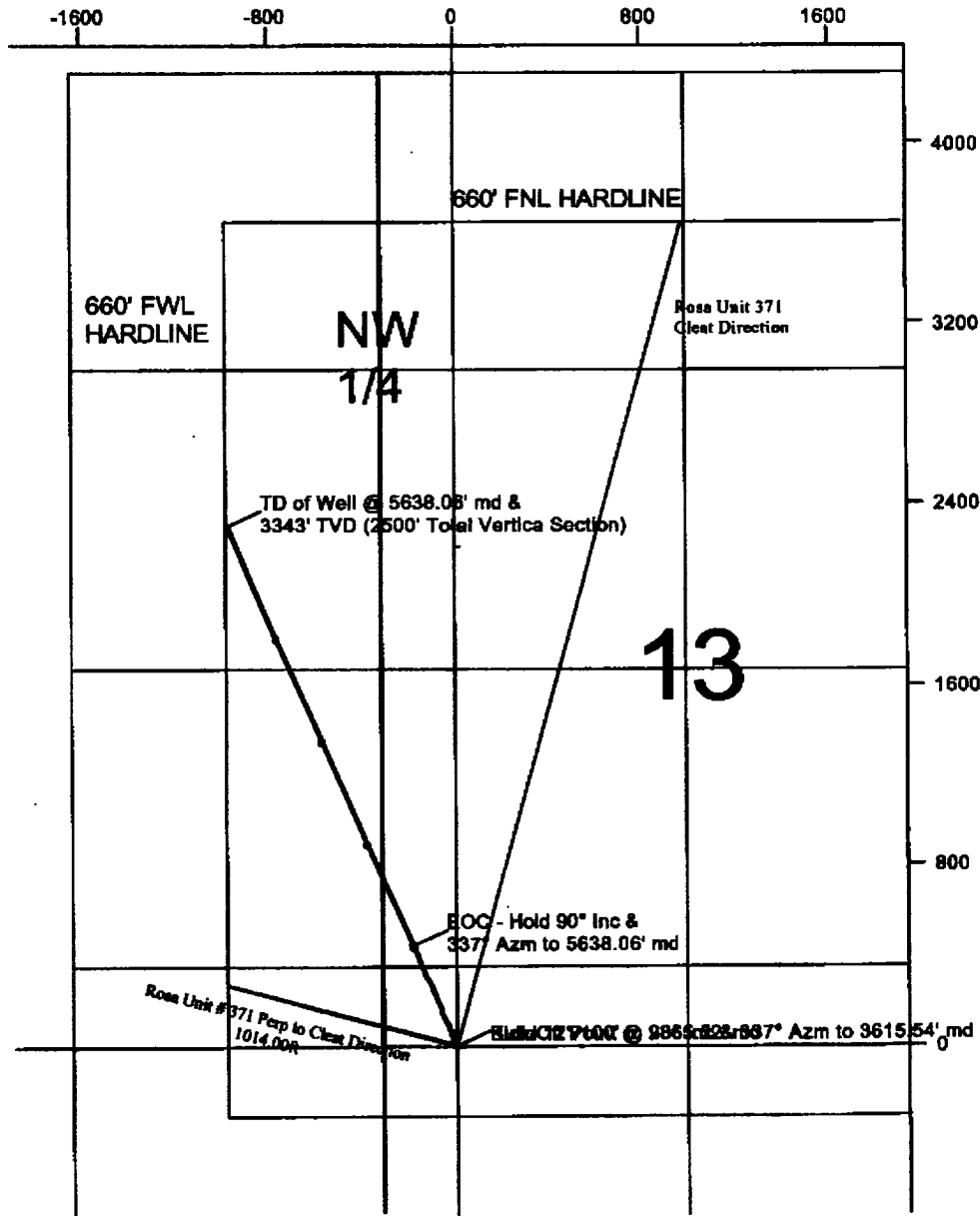
DrillQuest

Spring 500

New Mexico
Rio Arriba County
Sec. 13-T31N-R6W
Rosa Unit # 371

Scale: 1inch = 800ft

Eastings (970' FSL / 1640' FWL)



Prepared by:
Admin

Date/Time:
16 June, 2002 - 16:01

Checked:

Approved: