

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		1c. SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>	
2. NAME OF OPERATOR Williams Production Company, LLC					
3. ADDRESS OF OPERATOR P.O. Box 316 - Ignacio, Colorado 81137 - Phnoe (970) 563-3308					
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 2620' FSL and 545' FEL At proposed Prod. Zone					
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 28 miles NE of Blanco, NM				12. COUNTY OR PARISH Rio Arriba	13. STATE NM
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 545'		16. NO. OF ACRES IN LEASE 2560		17. NO. OF ACRES ASSIGNED TO THIS WELL 320 E/2	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 2200'		19. PROPOSED DEPTH 8137'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6323'				22. APPROX. DATE WORK WILL START* April 15, 2004	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
14-3/4"	10-3/4"	32.75#	+/- 300'	~356 cu.ft. Type III w/ 2% CaCl ₂	
9-7/8"	7-5/8"	26.4#	+/- 3642'	~1147 cu.ft. 65/35 poz & ~209 cu.ft. Type	
6-3/4"	5-1/2"	17.0#	+/- 8137'	~460 cu.ft. Prem. Lite HS w/ additives	

Williams Production Company proposes to drill a vertical well to develop the Mesa Verde and Dakota formations at the above described location in accordance with the attached drilling and surface use plans.

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 BLM road and pipeline right-of-ways. This well will require 550' of new access road (see Pipeline & Well Plats #3 & #4). This new road joins an existing road that crosses the NE qtr of sec 17, T31N, R5W where it joins "Rosa Road".

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 Larry Higgins TITLE Larry Higgins, Drlg COM DATE 2/10/2004

(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: 1. David J. Mendonca

APPROVED BY _____ TITLE _____ DATE APR 22 2004

*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 C104 FOR NSL
Application subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NMOCD

C.O.A. Compliance w/ Rule 50
DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

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

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

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-27603	² Pool Code 72319 / 71599	³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA
⁴ Property Code 17033	⁵ Property Name ROSA UNIT	⁶ Well Number 1538
⁷ GRID No. 120782	⁸ Operator Name WILLIAMS PRODUCTION COMPANY	⁹ Elevation 6323'

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
I	17	31N	5W		2620	SOUTH	545	EAST	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

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

¹⁶ 5276.04' 5280.00' 545' 2620' 5284.62' 17 RECEIVED 2004 FEB 10 PM 4:15 NM 070 Farmington	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information 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. Revised: FEBRUARY 7, 2004 Date of Survey: JUNE 5, 2002 Signature and Seal of Professional Surveyor JASON C. EDWARDS Certificate Number 15269
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WILLIAMS PRODUCTION COMPANY

Operations Plan

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

<u>DATE:</u>	2/10/2004	<u>FIELD:</u>	BasinDK/BlancoMV
<u>WELL NAME:</u>	Rosa #153B	<u>SURFACE:</u>	FED
<u>BH LOCATION:</u>	NESE Sec 17-31N-5W Rio Arriba, NM	<u>MINERALS:</u>	FED
<u>ELEVATION:</u>	6,323' GR	<u>LEASE #</u>	SF-078769
<u>MEASURED DEPTH:</u>	8,137'		

I. **GEOLOGY:** Surface formation - San Jose

A. **FORMATION TOPS:** (KB)

Name	MD	Name	MD
Ojo Alamo	2,532	Cliff House	5,387
Kirtland	2,637	Menefee	5,432
Fruitland	2,947	Point Lookout	5,642
Picture Cliffs	3,167	Mancos	5,992
Lewis	3,447	Gallup	6,987
		Greenhorn	7,712
		Graneros	7,767
		Dakota	7,887
		TD	8,137

B. **MUD LOGGING PROGRAM:** None

C. **LOGGING PROGRAM:** High Resolution Induction/ GR and Density/ Neutron log from surface to intermediate casing point and High Resolution Induction/ GR and Density/ Neutron log from intermediate shoe to TD. Onsite geologist will pick Density/ Neutron log intervals on both logging runs.

D. **NATURAL GAUGES:** Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

- A. **MUD PROGRAM:** 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. **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 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:**

<u>CASING TYPE</u>	<u>HOLE SIZE</u>	<u>DEPTH (MD)</u>	<u>CASING SIZE</u>	<u>WT. & GRADE</u>
Surface	14-3/4"	+/- 300'	10-3/4"	32.75# H-40
Intermediate	9-7/8"	+/-3642'	7-5/8"	26.4# K-55
Prod. Casing	6-3/4"	+/- 8137'	5-1/2"	17.0# N-80

B. **FLOAT EQUIPMENT:**

1. **SURFACE CASING:** 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (3) joints of Surface Casing.
2. **INTERMEDIATE CASING:** 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install one Turbulent centralizer on each of the bottom (3) joints and one standard centralizer every (4) joints to the surface casing. Total centralizers = (26) regular and (3) turbulent.
3. **PRODUCTION CASING:** 4-1/2" whirler type cement nose guide shoe with a latch collar on top of 20" bottom joint. Place marker joint above 5630'. Place one positive standoff turbolizer every other joint. Total turbolizers is 34.

C. CEMENTING:

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

1. SURFACE: Slurry: ~~255~~55 (356 cu.ft.) of "Type III" + 2% CaCl₂ + 1/4 # 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. INTERMEDIATE: Lead - ~~550~~55 (1147) 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~~55 (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 Slurry** to circulate to surface. **No excess in Tail Slurry**. Total volume = ~~1,476~~1,251 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.
3. PRODUCTION LINER: 10 bbl Gelled Water space. Scavenger: 50s~~x~~ (130ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, 1/4 #/sk cello flake and 4% Phenoseal. (Yield = 2.59 cu.ft./sk, Weight = 11.6 #/gal.). Cement: 215 ~~sx~~ (460 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, 1/4 #/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 460ft³. WOC 12 hours

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 not circulated to surface..

B. PRESSURE TEST

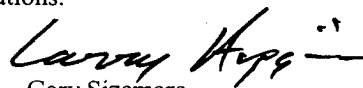
1. Pressure test 7 5/8" & 5-1/2" casing to 3300# for 15 minutes.

C. STIMULATION

1. Stimulate Dakota with approximately 70,000# of 20/40 sand in x-link foam.
2. Isolate Dakota with a RBP.
3. Stimulate Point Lookout with approximately 80,000# of 20/40 sand in slick water.
4. Isolate Point Lookout with a RBP.
5. Perforate the Menefee/Cliff House as determined from the open hole logs.
6. Stimulate with approximately 80,000# of 20/40 sand in slick water.
7. Test each zone before removing bridge plugs.

D. RUNNING TUBING

1. Dakota: Run 2-1/16", 3.25#, J-55, IJ tubing with 1/2 mule shoe on bottom, SN with pump-out plug on top of adeem joint and 5 Seal Units. Land tubing approximately 100' below top Dakota perf.
2. Mesa Verde: Run 2-1/16", 2.9#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforations.


Gary Sizemore
Sr. Drilling Engineer

Williams Production Company, LLC

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

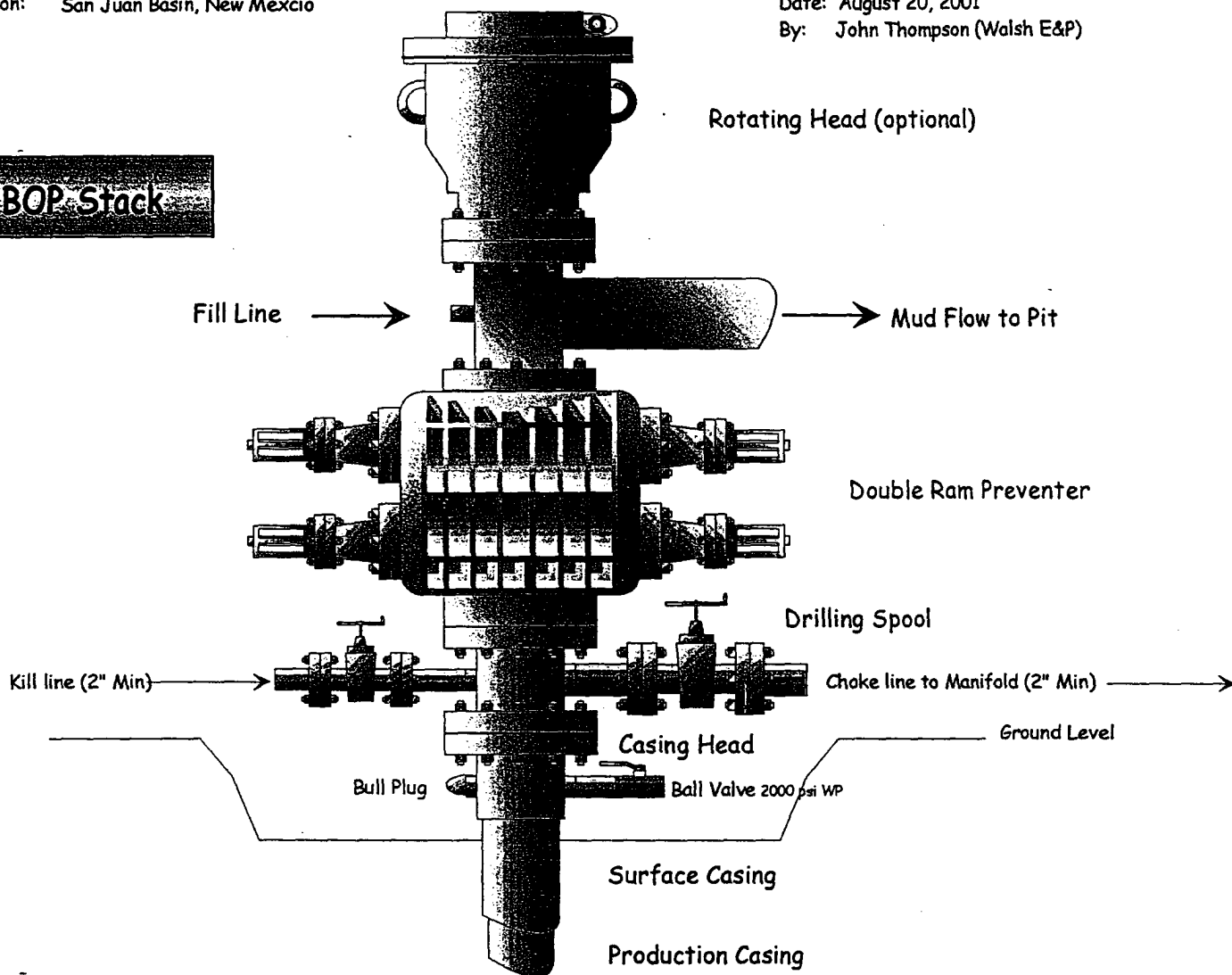
Typical BOP setup

Location: San Juan Basin, New Mexico

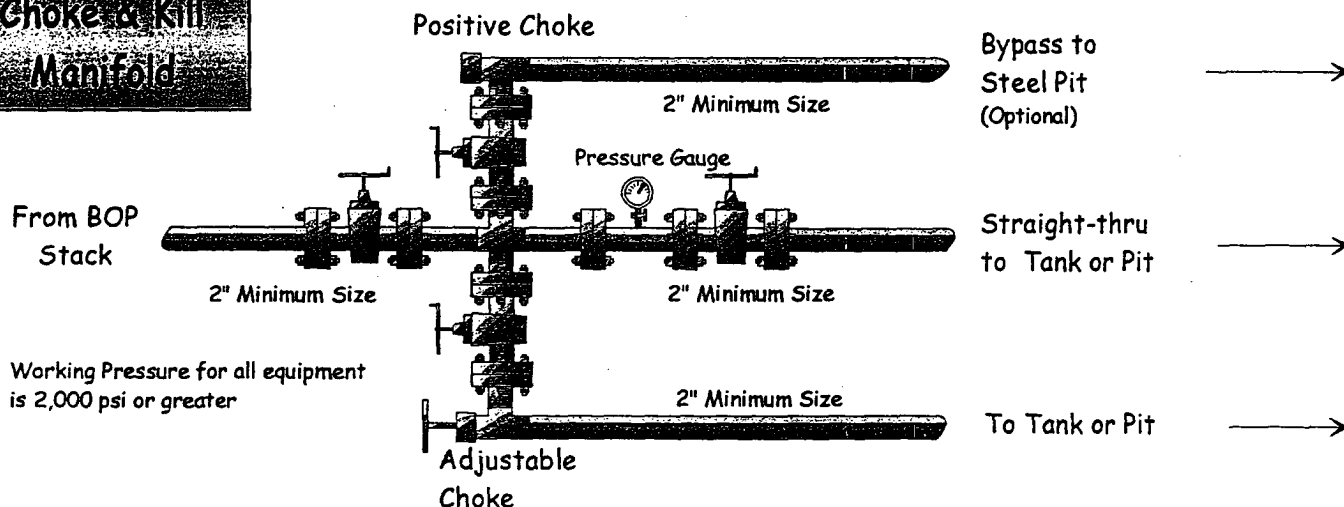
Date: August 20, 2001

By: John Thompson (Walsh E&P)

BOP Stack

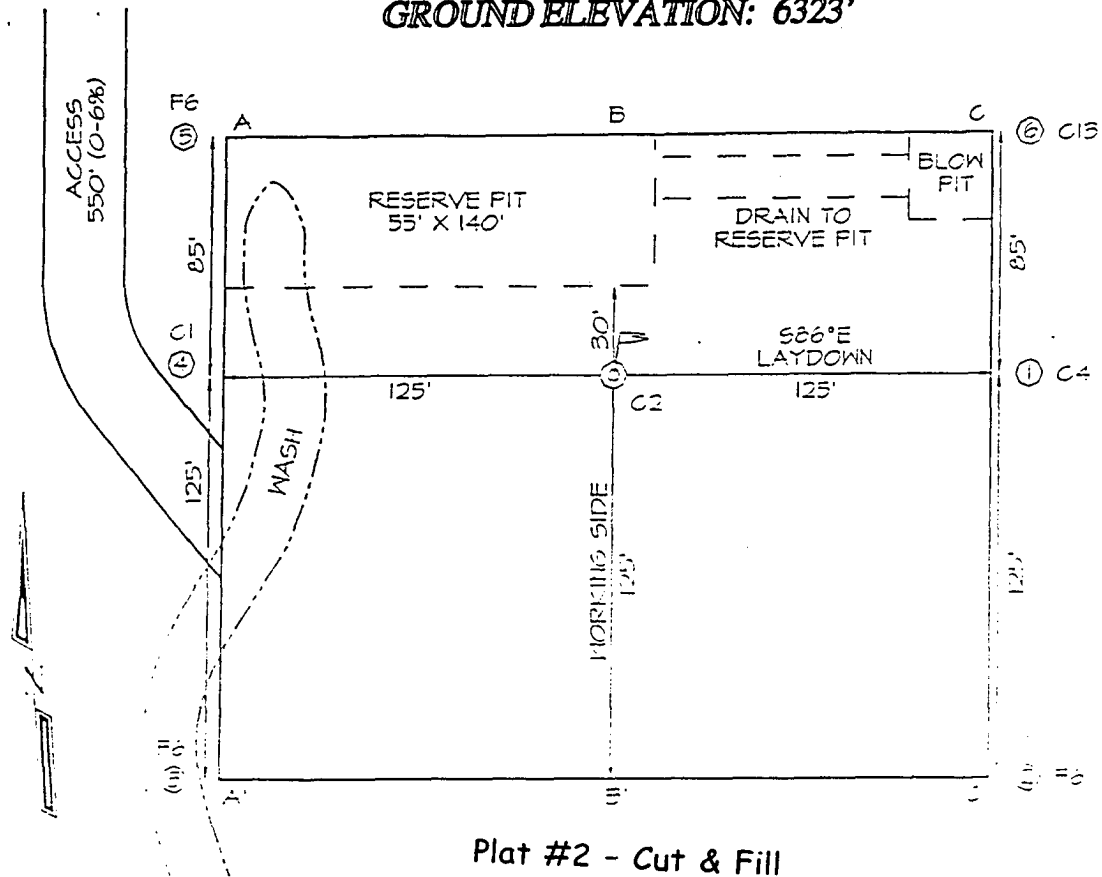


Choke & Kill Manifold



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

WILLIAMS PRODUCTION COMPANY ROSA UNIT #153B
 2620' FSL & 15' FEL, SECTION 17, T31N, R5W, NMPM
 RIO ARriba COUNTY, NEW MEXICO
 GROUND ELEVATION: 6323'



Plat #2 - Cut & Fill

