District I.
1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

Date: 8/2/05

Phone: (505) 634-4208

. State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division

Submit to appropriate District Office

District IV 1220 S. St. Fra	ancis Dr., S	Santa Fe, NN	I 87505		1220 Soi Santa	uth St. Fe, N					AMENDED REPOR	
APPL	ICATI	ON FOI	R PERMIT	TO DI	RILL, RE-	ENTE	R, DI	EEPE!	N, PLUGBA	CK, OR	ADD A ZONE	
	Ţ	VILLIAM	Operator Name S PRODUCT	and Addres	ss MPANY, LL.	X			1,57	² OGRID N	umber	
P. O. Box 640 Aztec, NM 87410							J. 61			12078 API Nur		
							5.1		30 - 03	39-2	9608	
³ Property Code \$\frac{1}{2} \text{Property Na}											Well No.	
	17212		Proposed Pool 1		ROSA UNIT	T COM			10 Dron	osed Pool 2	239a	
			UITLAND COA	L (GAS)					- Ргоро	osed Pool 2		
					⁷ Surface	Locati	ion					
UL or lot no.	Section	Township	Range	Lot I				South line	Feet from the	East/West	line County	
P	2	31N	6W		22			s	1070	Е	RIO ARRIBA	
		T	8 Propo		om Hole Locat							
UL or lot no.	Section 2	Township 31N	Range 6W	Lot I	dn Feet fro	ļ			Feet from the East/West 990 E		line County RIO ARRIBA	
r	2	3111		Ad	ditional We			s 990 tion		E	NO ARRIBA	
	Type Code		12 Well Type Co			e/Rotary			Lease Type Code		15 Ground Level Elevation	
	WELL		GAS			<u>R</u>			STATE		6236	
	ultiple N`		¹⁷ Proposed Dep 3417	th 18 Formation FRUITLAND COA			_	¹⁹ Contractor			²⁰ Spud Date 9/1/05	
Depth to Grou	ındwater			Distance	e from nearest fres	sh water v	Distance from nearest surface water >500 BUT < 1,000?			face water		
	Synthetic		mils thick Clay			bls Drilling Method:						
Clos	sed-Loop S	ystem								iesel/Oil-bas	ed Gas/Air G	
			21	Propos	sed Casing a	and Ce	ment	Progra	m			
Hole S	ize	Cas	ing Size	Casing	g weight/foot	s	etting D	epth	Sacks of Ce	ement	Estimated TOC	
12.25 9.625		.625		36	300)	190				
8.75 7					31′			480				
6.25 5.5			15.5		<u> </u>	331	3	0		· · · · · · · · · · · · · · · · · · ·		
						<u> </u>						
²² Describe th	he propose	d program. I	f this application	is to DEEI	PEN or PLUG BA	ACK, giv	e the dat	ta on the p	resent productive z	one and prop	posed new productive zone	
					al sheets if necess			•	•			
DOUBLE RA	M BOP -	WORKING:	PRESSURE =2,0	000 PSI – T	EST PRESSURE	E = 1,500	PSI					
²³ I hereby cer	rtify that th	e informatio	n given ahove is	true and co	mnlete to the			OH 0	ONTOFFICE	TON I DE	T TOYOU .	
23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ⊠, a general permit □, or					OIL CONSERVATION DIVISION							
			guidelines ⊠, ; roved plan □.	a general p	ermit [_], or	Approv	ved by:	1 an	£ / [
Printed name			7	. 11		Title:	020	PORT	GASTINSTECHO	a, disy. ?	j	
			carry	1 pr	79-	†	val Data	UG -	9 200- 5	xpiration D	UG - 2 22	
	Title: DRILLING COM F-mail Address: larry higgins@williams.com						Approval Data O - 2 2005 Expiration Bill - 2 2006					

Conditions of Approval Attached

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

Submit_to

AMENDED REPORT

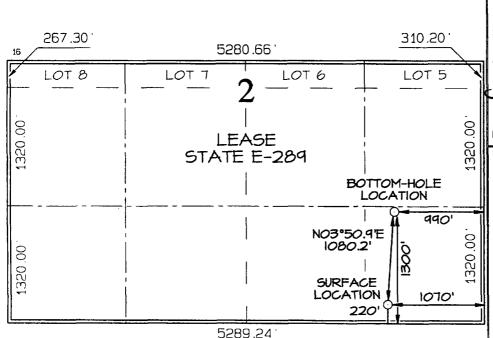
WELL LOCATION AND ACREAGE DEDICATION PLAT

*Property Code Property Name *Well Number 17033 ROSA UNIT COM 239A *OGRID No. *Operator Name *Elevation 120782 WILLIAMS PRODUCTION COMPANY 6236	311-039-79608	'Pool Code 71629	BASIN FAUITLA	
Sp. Sea. Maile		· ·	•	*Well Number 239A
	· ·	*:= ==		

¹⁰ Surface Location

					ou, lucc	E O C G C T O I I			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	2	31N	6W		220	SOUTH	1070	EAST	RIO ARRIBA
		11 E	Bottom	Hole L	ocation I	f Different	From Surf	ace	
UL or lot no.	Section	Township	Range	Lat Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	31N	6W		1300	SOUTH	990	EAST	RIO ARRIBA
12 Dedicated Acres					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		
356.26 Acres – Entire Section									

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 Printed Name 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 Date Revised: MAY 5, 2005 Survey Date: JANUARY 24, 2005 Signature and Seal of Professional Surveyor C. EDWARDS JASON MEXICO SEW SAME YOR 15269 APOFESSIONAL _DWARD

Certificate Number

15269



WILLIAMS PRODUCTION COMPANY

Operations Plan

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

DATE:

7/5/2005

WELLNAME:

Rosa Unit #239A

Rio Arriba, NM

FIELD:

Basin Fruitland Coal

BH LOCATION:

NESE Sec 02-31N-6W

SURFACE:

STATE

SURF. LOCATION:

SESE Sec 02-31N-6W

ELEVATION:

6,236' GR

MINERALS:

STATE

TOTAL DEPTH:

3,417'

LEASE#

E-289

I. GEOLOGY:

Surface formation - San Jose

A. FORMATION TOPS: (KB)

NAME	TVD	MD	NAME	TVD	MD
San Jose	Surface	Surface	Top Coal	2,933	3,193
Nacimiento	978	990	Bottom Coal	3,053	3,313
Ojo Alamo	2,303	2,543	Pictured Cliffs	3,063	3,323
Kirtland	2,403	2,650	TD	3,153	3,417
Fruitland	2,823	3.082			

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 3,177' (MD) DO NOT drill deeper until Engineering is contacted.
- B. <u>Drilling Fluid</u>: Coal section will be drilled with Fruitland Coal water. Mudlogger will pick TD.
- C. MUD LOGGING PRORAM: Mud logger will be on location at drill out below 7" casing to TD.

D. <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	HOLE SIZE	DEPTH (MD)	CASING SIZE	WT. & GRADE
Surface	12-1/4"	+/- 300'	9-5/8"	36# K-55
Intermediate	8-3/4"	+/- 3,177'	7"	20# K-55
Prod. Liner	6-1/4"	+/- 3,077'-3,313'	5-1/2"	15.5# K-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 (4) 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 LINER / CASING: 4-1/2" & 5-1/2" whirler type cement nose guide shoe with a latch collar on top of 20' bottom joint. Place centralizers as needed across selected production intervals.

C. CEMENTING:

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

- 1. <u>SURFACE</u>: Use 190 sx (264 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 = 264 cu.ft. Test to 1500#.
- 2. <u>INTERMEDIATE</u>: Lead 430 sx (896 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 120% excess in Lead Slurry to circulate to surface. No excess in Tail Slurry. Total volume = 966 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.

Rosa Unit #239A Operation Plan Page #3

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 2-7/8", 4.7#, J-55, EUE tubing with a SN (1.375" ID) on top of bottom joint. Land tubing approximately 50' above TD.

Gary Sizemore Sr. Drilling Engineer