

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION TO DRILL" for permit for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	5. Lease Designation and Serial No. NM-03190
2. Name of Operator WILLIAMS PRODUCTION COMPANY	6. If Indian, Allottee or Tribe Name N/A
3. Address and Telephone No. PO Box 640 Aztec, NM 87410-0640	7. If Unit or CA, Agreement Designation Cox Canyon
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1485'FSL, 1940'FWL, Sec17, T32N, R11W, NMPM	8. Well Name and No. Cox Canyon #007C
	9. API Well No. 30-045-33018
	10. Field and Pool, or Exploratory Area BLANCO MV/BASINDK
	11. County or Parish, State San Juan, New Mexico

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	Abandonment
<input checked="" type="checkbox"/> Subsequent Report	Recompletion
<input type="checkbox"/> Final Abandonment	Plugging Back
	Casing Repair
	Altering Casing
	<input checked="" type="checkbox"/> Other <u>Multiple zone completion</u>
	Change of Plans
	New Construction
	Non-Routine Fracturing
	Water Shut-Off
	Conversion to Injection
	Dispose Water
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Williams Production Company, LLC. hereby requests authority to drill this as a Mesa Verde/Dakota dual as per attached operations plan.



2005 DEC 21 PM 9 47
RECEIVED
070 FARMINGTON NM

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

Signed Larry Higgins
Larry Higgins

Title Drilling C.O.M.

Date December 19, 2005

(This space for Federal or State office use)

Approved by Andrea Brunley

Title Pet. Eng

Date 1/3/06

Conditions of approval, if any:

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.

NMOCOD

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

DEC 21 AM 8:47
AMENDED REPORT

RECEIVED

070 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-33018		Pool Code 72319 / 71599	Pool Name BLANCO MESAVERDE / BASIN DAKOTA
Property Code	Property Name COX CANYON UNIT		Well Number 7C
GRID No. 120782	Operator Name WILLIAMS PRODUCTION COMPANY		Elevation 6737'

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
K	17	32N	11W		1485	SOUTH	1940	WEST	SAN JUAN

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
Dedicated Acres 320.0 Acres - (E/2 W/2 & W/2 E/2)					Joint or Infill	Consolidation Code	Order No.		

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	5138.76'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Larry Higgins</i> Signature LARRY HIGGINS Printed Name DRILLING COM Title 12-19-05 Date
	LEASE NM-03190	
5208.72'	17	5307.72'
1940'	660'	1485'
	5120.94'	



WILLIAMS PRODUCTION COMPANY

Operations Plan

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

<u>DATE:</u>	12/5/2005	<u>FIELD:</u>	BasinDK/BlancoMV
<u>WELL NAME:</u>	Cox Canyon #7C	<u>SURFACE:</u>	FEE – K. Decker
<u>BH LOCATION:</u>	NESW Sec 17-32N-11W San Juan, NM	<u>MINERALS:</u>	FED
<u>ELEVATION:</u>	6,737' GR	<u>LEASE #</u>	NM-03190
<u>MEASURED DEPTH:</u>	8,206'		

I. GEOLOGY: Surface formation - San Jose

A. FORMATION TOPS: (KB)

Name	MD	Name	MD
Ojo Alamo	1,441	Cliff House	5,166
Kirtland	1,521	Menefee	5,336
Fruitland	2,906	Point Lookout	5,691
Pictured Cliffs	3,401	Mancos	6,016
Lewis	3,541	Gallup	7,061
Huerfanito Bentonite	4,076	Greenhorn	7,771
		Graneros	7,836
		Dakota	7,911
		Morrison	8,176
		TD	8,206

B. MUD LOGGING PROGRAM: Mud logger on location from approximately 7,856' to TD.

C. LOGGING PROGRAM: High Resolution Induction/ GR and Density/ Neutron log over zones of interest from surface casing to intermediate casing then to protection casing TD. Cased hole logs over Dakota/ Morrison Onsite geologist will pick Density/ Neutron log intervals 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 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:

<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"	+/- 2,831'	7-5/8"	26.4# K-55
Prod. Casing	6-3/4"	+/- 7,856'	5-1/2"	17.0# N-80
Production Liner	4-3/4"	+/- 7,756' - 8,206'	3-1/2"	9.3#

B. FLOAT EQUIPMENT:

1. **SURFACE CASING:** ^{10 3/4} 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
2. **INTERMEDIATE CASING:** ^{7 5/8} 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:** 3-1/2" & 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.

C. CEMENTING:

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

1. **SURFACE:** Slurry: 255sx (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 - 450 sx (950) 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 - 100 sx (139cu.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 = 1089 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.

3. PRODUCTION CASING: 10 bbl Gelled Water space. Lead: 100sx (259ft³) 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 = 2.59 cu.ft./sk, Weight = 11.6 #/gal.). Cement: 120sx (251 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 510ft³. WOC 12 hours
4. PRODUCTION LINER: 10 bbl Gelled Water space. Cement: 50sx (100 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, ¼ #/sk cello flake. (Yield = 2.15 ft³/sk, Weight = 12.3 #/gal.). Displace cement at a minimum of 8 BPM. The 20% excess should cover 100 ft above liner top. Total volume 100ft³. 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.


for Gary Sizemore
Sr. Drilling Engineer