

Submit 3 Copies  
To Appropriate  
District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT II  
811 South First, Artesia NM 88210

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

WELL API NO.  30-045-33245	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name:  ROSA UNIT	
8. Well No.  274A	
9. Pool name or Wildcat  BASIN FRUITLAND COAL	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator  WILLIAMS PRODUCTION COMPANY	
3. Address of Operator  P O BOX 3102, MS 25-2, TULSA, OK 74101	
4. Well Location (Surface) Unit letter <u>G</u> : 1820 feet from the <u>NORTH</u> line & 1940 feet from the <u>EAST</u> line Sec 16-31N-06W SAN JUAN, NM	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6328' GR	

Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
OTHER:		OTHER: <u>Drilling Complete</u>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103.

06-28-2006 MIRU, drill rat & mouse holes, spud surface hole @ 2300 hrs, 6/27/06. Drilling 12 1/4" surface hole from 0' to 189'.

06-29-2006 Drill 12 1/4" surface hole from 189' to 345', circulate hole clean. RU csg crew, RIH w/ 8 jts 9 5/8", 36#, J-55, ST&C csg, land @ 335', RD & release csg crew. RU cementers, cmt surface csg as follows: 200 sxs (282 cu.ft.) Type III cmt + 2% CaCl 2 + .25#/sx Cello Flake + 32.37 bbls FW = 50 bbls slurry @ 14.5 ppg (yld = 1.41 / WGPS + 6.84). Displace w/ 23 bbls FW @ 50 to 120 psi, bump plug @ 500 psi, plug down @ 1645 hrs, check float, good. 30 bbls cmt returned to surface, good cmt job, no problems. RD & release cementer. Shoe @ 335', good csg and cmt job. WOC. Test BOP & all related lines & equipment to 250 psi low for 5 mins & 1500 psi high for 10 mins. BOP, choke manifold & all other lines & equipment tested good. Test 9 5/8" csg @ 1500 psi for 30 mins, good test. RD & release BOP tester, strap DP.

Continued on Back

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

SIGNATURE Tracy Ross TITLE: SR. Production Analyst DATE: July 5, 2006

Type or print name TRACY ROSS Telephone No: (918) 573-6254  
(This space for State use)

APPROVED BY H. Villanueva TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. III DATE: JUL 17 2006  
Conditions of approval, if any:

B

06-30-2006 PU bit & bit sub, RIH w/ HWDP, tag cmt @ 298', drill cmt, insert float, cmt, guide shoe from 298' to 335', CO from 335' to 345'. Drill 8 3/4" hole from 345' to 450', POOH. PU directional BHA, RIH to 418', wash to bottom @ 450'. Directionally drill 8 3/4" hole from 450' to 875'.

07-01-2006 Dir drl 8 3/4" hole from 875' to 1575'.

07-02-2006 Dir drl 8 3/4" hole from 1575' to 2113'.

07-03-2006 Dir drl 8 3/4" hole from 2113' to 2587'. Attempt to survey and orient tool face, MWD has failed, circ hole clean, PO to change MWD tool.

07-04-2006 TOOH, change failed MWD tool, LO bit, MM, MWD tool, function blind rams. Install new MWD tool, TIH, RIH to 2587'. Directionally drilling 8 3/4" hole from 2587' to 3023'.

07-05-2006 Directionally drilling 8 3/4" hole from 3023' to 3361', circulate hole clean, condition mud to 50 vis and 9.0 wt. POOH, LD directional tools. PU bit sub & re-run bit #5, TIH to 3321', wash & ream from 3321' to 3361', circulate hole clean, work bottom of hole, hole is in good shape.

07-06-2006 LD drill string to run & cmt 7" csg. RU csg crew. RIH w/ 86 jts 7", 23#, J-55, LT&C csg, land @ 3350'. Cmt 7" as follows: Lead: 410 sxs (861 cu.ft.) Premium Light HS cmt + 8% Bentonite + 1% CaCl 2 + 4% Phenoseal + .25#/sx Cello Flake + 112.93 bbls water = 153.09 bbls slurry @ 12.1 ppg (yield = 2.10 / WGPS = 11.57). Tail: 50 sxs 70 cu.ft.) Type III cmt + 1% CaCl 2 + .25#/sx Cello Flake + 8.10 bbls water = 12.39 bbls slurry @ 14.5 ppg (yield = 1.39 / WGPS = 6.80). Displace w/ 131 bbls water, bump plug @ 1546 psi, plug down @ 2212 hrs, check float, no hold, SWI @ 550 psi. 71 bbls cmt to surface. RD cementers, WOC, prepare to ND BOP

07-07-2006 ND BOP, all related lines & equip, clean mud pits, clean location, rig released @ 2359 hrs, 07/06/06.