| In Lieu of | | |
|-------------|---|--|
| Form 3460 | • | |
| (June 1990) | | |

1

Type of Well

Oil Well X Gas Well

UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT

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

If Indian. Allottee or Tribe Name

| CHMDDA | NOTICE | AND | REPORTS | ON | WEI | 7 (|
|--------|--------|-----|----------------|-----|-----|-----|
| SUNDRY | NOTICE | AND | KEPUK 15 | OIN | WEL | .L: |

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

 Lease Designation and Serial No. NMSF-078894

2008 AUG 28 PM 12 07

| SUBMIT IN TRIPLICATE | RECEIVED | 7. | If Unit or CA. Agreement Designation |
|----------------------|-----------------------|----|--------------------------------------|
| | OTO FARMULE STORT THE | | Well Name and No |

2. Name of Operator
WILLIAMS PRODUCTION COMPANY

3. Address and Telephone No.

Other

9. API Well No. 30-039-29908

Address and Telephone No.
PO BOX 3102 MS 25-2, TULSA, OK 74101 (918) 573-6254

10. Field and Pool, or Exploratory Area BASIN FRUITLAND COAL

ROSA UNIT #312A

Location of Well (Footage, Sec., T., R., M., or Survey Description) 2060' FNL & 1050' FWL, SW/4 NW/4 SEC 28-T31N-R04W 11. County or Parish, State RIO ARRIBA, NM

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

| TYPE OF SUBMISSION | TYPE C | OF ACTION |
|---------------------|-------------------------|--|
| Notice of Intent | Abandonment | Change of Plans |
| | Recompletion | New Construction |
| X Subsequent Report | Plugging Back | Non-Routine Fracturing |
| | Casing Repair | Water Shut-Off |
| Final Abandonment | Altering Casing | Conversion to Injection |
| | Other Drilling Complete | Dispose Water |
| | | (Note: Report results of multiple completion |
| | | on Well Completion or Recompletion Report |
| | | and Log form.) |

and Log form.)

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.)*

07-30-2006 MIRU.

07-31-2006 Mix spud mud, spud @ 0100 hrs on 7/31. Drig rat hole, drig 12 1/4" surface hole from 0' to 44', change to 3.5" Kelly.

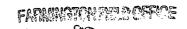
<u>08-01-2006</u> Drlg rat & mouse hole, wash & ream from 0' to 44'. Drlg 12 ¼" surface hole from 44' to 347', circulate & condition, set back Kelly, TOOH, RU casers.

<u>08-02-2006</u> PU 9 5/8" shoe jt, tag bridge @ 31', LD 9 5/8" shoe jt, PU bit #2, wash & ream tight hole form 31' to 60', wash & ream to bottom w/ 4 ½" HWDP, circulate & condition, TOOH. LD HWDP & bit, RU csg crew, RIH w/ 9 5/8" surface csg as follows: csg shoe, 1 jt 9 5/8", 36#, J-55 csg, insert float, 7 jts 9 5/8", 36#, J-55 csg, landed @ 338', RD csg crew, RU cementers. Cmt 9 5/8" csg as follows: 10 bbls H20, 200 sxs TYPE III cmt w/ 2 % CaCl, ½#/sx Cello Flake. 14.5 ppg. 1.41 YLD. Good circ thru out job, 23 bbls cmt to surface. 100# shut in on csg, WOC, attempt to back off LJ @ 02:30 & 03:30 flowing back. BO landing jt, NU BOP.

Continued on Back

| 14. | I hereby certify that the foregoing is true and correc | | | |
|-----|--|------------------------------|--------------|-------------------|
| | Signed Tracy Ross Tracy Ross | Title Sr. Production Analyst | Date | August 22, 2006 . |
| | (This space for Federal or State office use) | | <u></u> | |
| | Approved by | Title | - | Date |
| | Conditions of approval, if any: | | | APPERTURED |

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.





<u>08-03-2006</u> NU & test BOP & all related lines & equipment, low test @ 250 psi for 15 min, high test @ 1500 psi for 15 mins. Test csg @ 1500 psi for 30 mins. BOP, lines, equipment & csg tested out good. PU bit #3, TIH, tag cmt @ 285', drill cmt & float equipment. Drilling 8 ¾" hole from 347' to 400', circulate & condition, TOOH for directional tools.

<u>08-04-2006</u> LD DC's, PU & orientate directional tools. TIH, PU 4 ½" SHWDP, tag @ 360', wash to bottom. Directionally drill 8 ¾" hole from 400' to 1183'.

08-05-2006 Directionally drilling 8 3/4" hole from 1183' to 1600'.

08-06-2006 Directionally drilling 8 3/4" hole from 1600' to 2067'.

08-07-2006 Directionally drilling 8 3/4" hole from 2067' to 2250'.

08-08-2006 Directionally drilling 8 3/4" hole from 2250' to 2718'.

08-09-2006 Directionally drilling 8 3/4" hole from 2718' to 2826'. TOOH for bit.

<u>08-10-2006</u> PU inspect bit #4. Nut from elevators dropped down DP, retrieved from emitter sub, TIH, tag bridges @ 2380', 2842', 15' of fill. Directionally drilling 8 ¾" hole from 2928' to 3052'.

08-11-2006 Directionally drilling 8 3/4" hole from 3052' to 3365'.

<u>08-12-2006</u> Directionally drilling 8 ¾" hole from 3365' to 3537'. 100# pressure increase, torque increase, and direction change after last 14' slide. Circulate & condition, TOH for bit strap out, LD MWD tools to CO batteries.

<u>08-13-2006</u> PU MWD tool & orientate. TIH. PU Kelly, wash to BTM, 18' of fill. Directionally drilling 8 3/4" hole from 3537' to 3746'. Drilling break TD 8 3/4" hole @ 3746', circulate & condition for short trip.

<u>08-14-2006</u> Short trip 20 stds. PU Kelly, no fill or tight hole. Circulate & condition LDDP, BHA, directional tools. Finish rigging up casing crew. Casing crew reported that fuel tank leaking on truck. Fuel leak too severe to continue, moved truck & pump fuel off into Aztec used oil container. Contain & clean up 20 gal diesel spill.

<u>08-15-2006</u> RU csg crew, RIH w/ 7" csg & land mandrel, run 98 jts 7", 23", J-55 csg. Csg shoe set @ 3741'. Float collar set @ 3699'. RD csg crew, RU cmt head, circulate & condition. Set cmt trucks, cmt 7" csg as follows: 10 bbls water spacer. Lead: 465 sxs Type III 65/35 POZ w/ 8% gel, 1% CaCl2, & 1/4 sx Cello Flake, (yld = 2.10 WT = 12.1 gal). Tail: 50 sxs Type III w/ 1% CaCl2, 1/4 sx Cello Flake, (yld = 1.39 WT = 14.5 gal). 46 bbls excess cmt to lined pit. Bump plug to 1606#. BO cmt head, install swedge w/ valve. WOC. RD, ND BOPE, release rig.