UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0136 Expires January 31, 2004

5. Lease Serial No.

NMSF-078769

6. If Indian, Allottee or Tribe Name

| APPLICATION | FOR P | FRMIT TO | DRILL | OR | REENTER |
|-------------|-------|----------|-------|----|---------|

| la. Type of Work: DRILL REENTER | Z217 Ft | 3-2 | 7. Hunt & CA Agreemer | it, Name and No. |
|---|---|--------------------|--|---------------------------------------|
| 1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other | Single Zone ☐ Multi | TOTAL ple Zone. | Rosa Unit 8. Lease Name and Well N 189 | 0. |
| 2. Name of Operator | 210 F. | 37 4 | 9. API Well No. | 16.6 |
| • | 410 F: | | 30-039-30 | 186 |
| Williams Production Company, LLC 3a. Address | 3b. Phone No. (include area code) | | 10. Field and Pool, or Explo | oratory |
| P.O. Box 640 Aztec, NM 87410 | (505) 634-4208 | | Blanco Mesaverde | |
| 4. Location of Well (Report location clearly and in accordance with any | <u> </u> | | o. | |
| At surface 1455' FNL & 1780' FEL, Section 21, T. 31N | ., R.5W. | _ | 11. Sec., T., R., M., or Blk. | and Survey or Area |
| At proposed prod. zone 2310' FNL & 2310' FEL, Section 21, T. | 31N., R.5W. | OI | Section 21, T. 31N., R. 5V | V. NMPM |
| 14. Distance in miles and direction from nearest town or post office* | | | 12. County or Parish | 13. State |
| approximately 35 miles northeast of Blanco, New Mexico | | | Rio Arriba | NM |
| 15. Distance from proposed* location to nearest | 16. No. of Acres in lease | 17. Spacing | g Unit dedicated to this well | |
| property or lease line, ft. (Also to nearest drig. unit line, if any) 1455' | 2,560.00 | 320 | 0 (E/2) Section 21 | |
| 18. Distance from proposed location* | 19. Proposed Depth | | IA Bond No. on file | |
| to nearest well, drilling, completed, applied for, on this lease, ft. | | | | |
| 1200' | 6,534' | UTO | T | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) | 22. Approximate date work will s | tart* | 23. Estimated duration | |
| 6589' GR | June 1, 2007 | | 1 month | |
| | 24. Attachments | | 7 F L 3 T L 2 | <u> 1PR 2 '08</u> |
| The following, completed in accordance with the requirements of Onshore | e Oil and Gas Order No.1, shall be att | ached to this | form: | MS.DIV. |
| Well plat certified by a registered surveyor. | 4. Bond to cover th | e operations | unless covered by an existi | |
| 2. A Drilling Plan. | Item 20 above). | • | | |
| 3. A Surface Use Plan (if the location is on National Forest System I | ands, the 5. Operator certification of Such other sites | | UL: rmation and/or plans as ma | SI. 3 v be required by the |
| SUPO shall be filed with the appropriate Forest Service Office). | authorized office | • | mader with or president | , coroquired by mic |
| 25. Signature | Name (Printed/Typed) | | Date | |
| lovery Huggi | Larry Higgins | | 7 | 1-2-0/ |
| Title | | | | |
| Drilling COM | | | | |
| Approved by (Signature) | Name (Printed/Typed) | | Date | 4/1/8 |
| Til. | | | | 11700 |
| Title Age In | Office # | | | |
| Application approval does not warrant or certify that the applicant holds le | egal or equitable title to those rights in | the subject | ease which would entitle the | applicant to conduct |
| operations thereon. | egar of equitable fittle to those rights in | i tilo suojoot | case which would challe the | approant to conduct |
| Conditions of approval, if any, are attached. | | | | · · · · · · · · · · · · · · · · · · · |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it States any false, fictitious or fraudulent statements or representations as to | | d willfully to | make to any department or a | agency of the United |
| *(Instructions on reverse) | | | ······ | |
| Williams Exploration and Production Company, LLC, proposes to accordance with the attached drilling and surface use plans. | drill a well to develop the Blanco N | lesaverde f | ormation at the above desc | cribed location in |
| The surface is under jurisdiction of the U.S. Forest Service, Jicarill | a Ranger District, Carson Nationa | I Forest. | | |
| This location has been archaeologically surveyed La Plata Archae | ological Consultants, Conies of th | oir report ha | we been submitted directly | to the LISES |

Jicarilla Ranger District.

This APD is also serving as an application to obtain an access road and gas pipeline. Required for this location is a 1200.00-foot access road, and a gas pipeline of 1525.6 feet, to be placed adjacent to the access road.

> for Directional Survey and "As Drilled" plat

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4



NOTIFY AZTEC OCD 24 HRS. PRIOR TO CASING & CEMENT

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 Instructions on back

PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION PO Box 2088

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

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

PU BOX 2000 Santa Fe, NM 87504-2088 207 FE3 -2 PM 2: 08 AMENDED REPORT

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

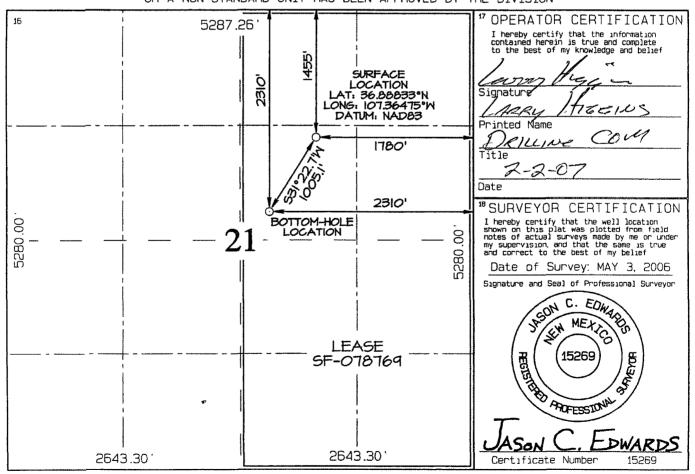
WELL LOCATION AND ACREAGE DEDICATION PRATECULAR

| 'API Number 30-039-30186 | *Pool Code 72319 | Pool Name BLANCO MESAVERDE | |
|--------------------------|---------------------------------------|----------------------------|--------------|
| Property Code | | operty Name | *Well Number |
| 17033 | | OSA UNIT | 189 |
| 'OGRID No | · · · · · · · · · · · · · · · · · · · | erator Name | *Elevation |
| 120782 | | RODUCTION COMPANY | 6589 |

¹⁰ Surface Location

| UL or lot no | Section 21 | Township 31N | Range 5W | Let Idn | Feet from the | North/South line NORTH | Feet from the 1780 | East/West line EAST | County RIO ARRIBA |
|---------------|---------------|-----------------|-------------|---------|-------------------------------|----------------------------------|------------------------|---------------------|-------------------------|
| | | 11 8 | ottom | 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 |
| G | 21 | 31N | 5W | | 2310 | NORTH | 2310 | EAST | RIO ARRIBA |
| | | | | | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No | | |
| | 320 | .O Acre | s - (E | /2) | | | | | |

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



| Office Submit 3 Copies To Appropriate District | State of New Me | xico | Form C-103 |
|--|--|-------------------------|--|
| District I | Energy, Minerals and Natu | ral Resources | May 27, 2004 |
| 1625 N. French Dr., Hobbs, NM 88240 | | | WELL API NO. 30.039.30/80 |
| <u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210 | OIL CONSERVATION | DIVISION | 5. Indicate Type of Lease FEDERAL X |
| District III | 1220 South St. Fran | icis Dr. | STATE FEE STATE |
| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV | Santa Fe, NM 87 | 505 | 6. State Oil & Gas Lease No. |
| 1220 S. St. Francis Dr., Santa Fe, NM | 201100 2 0, 1 11 2 0 | | NMSF-078769 |
| 87505 | | | |
| | ES AND REPORTS ON WELLS | IO DAOW TO A | 7. Lease Name or Unit Agreement Name |
| (DO NOT USE THIS FORM FOR PROPOSA DIFFERENT RESERVOIR. USE "APPLICA" | | | D 77.4 |
| PROPOSALS.) | (10.110.110.110.110.110.110.110.110.110. | | Rosa Unit 8. Well Number: 189 |
| | as Well 🛛 Other | | |
| 2. Name of Operator | | | 9. OGRID Number 120782 |
| Williams Production Company, LLC | | | |
| 3. Address of Operator | | | Blanco Mesaverde |
| P.O. Box 640 Aztec, NM 87410 | | · . | |
| 4. Well Location: | | | |
| | eet from the north line and 1780 fe | eet from the east lin | |
| Section 21 Township | | NMPM | County Rio Arriba |
| Bottom Hole: Unit Letter G: 23 | 310 feet from the north line and 23 | 10 feet from the ea | st line |
| Section 21 Township | | NMPM | County Rio Arriba |
| | 11. Elevation (Show whether DR, | RKB, RT, GR, etc., | |
| | 6,589' GR | | |
| Pit or Below-grade Tank Application or | | | |
| Pit typereserveDepth to Groundwater_ | >100'_Distance from nearest fresh wa | ter well_>1,000'_ Dista | ance from nearest surface water_>1,000' |
| Pit Liner Thickness: 12 mil Below-G | rade Tank: Volume | bbls; Construction N | Aaterial |
| 12 Check At | propriate Box to Indicate N | ature of Notice | Report or Other Data |
| 12. Check 14 | propriate Box to maicate 1 | | |
| NOTICE OF INT | ENTION TO: | SUB | SEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK | PLUG AND ABANDON 🔲 | REMEDIAL WOR | K ☐ ALTERING CASING ☐ |
| TEMPORARILY ABANDON | CHANGE PLANS | COMMENCE DRI | LLING OPNS.□ P AND A □ |
| PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMEN | T JOB |
| | | | |
| OTHER: | | OTHER: | d give pertinent dates, including estimated date |
| | | | tach wellbore diagram of proposed completion |
| | | | |
| | | | |
| | | | it multi-use drilling and completion to avoid |
| additional site disturbance and pit- | | | |
| operated and closed in accordance | with NMOCD guidelines and | Williams procedui | es. |
| V D' is looked permit | ied as a dailling ai | tool if | an extension is needed to |
| Port 13 being permit | l'a aluan l'ile | ovid' i | an extension is needed to n in accordance with |
| | | an exicusto | or a secondarice with a |
| the OCO's current pit | rule. | | |
| T1 - 1 | | | and belief to decide the land |
| I hereby certify that the information al | ove is true and complete to the boosed according to NMOCD guidelines f | est of my knowledg | e and belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan |
| , , | | | |
| SIGNATURE Correy to | TITLE I | Orilling COM | DATE 2-2-87 |
| SIGNATURE Larry Miggins | E-mail address: larry.higgins(| williams.com | Telephone No. (505) 634-4208 |
| | | | |
| For State Use Only | De | puty Oil & Ga | s inspector, |
| 1 A | -t Ma | District | #3 %PR 0 4 2000 |
| APPROVED BY: | - Of Contract TITLE | | DATE ON C 1 2000 |
| Conditions of Approval (if any): | • | | |
| *Sec above conditions |) | | |
| | | | |



WILLIAMS PRODUCTION COMPANY

Operations Plan

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

DATE:

1/23/2007

FIELD:

Blanco MV

WELL NAME:

Rosa #189

SURFACE:

USFS

BH LOCATION:

SWNE Sec 21-31N-5W

Rio Arriba, NM

MINERALS:

FED

SURF LOCATION:

SWNE Sec 21-31N-5W

ELEVATION:

6,589' GR

LEASE #

SF-078769

MEASURED DEPTH: 6,534

I. **GEOLOGY**:

Surface formation - San Jose

A. FORMATION TOPS: (KB)

| Name | TVD | MD | Name | TVD | MD |
|----------------|-------|-------|---------------|-------|-------|
| Ojo Alamo | 2,753 | 2,891 | Cliff House | 5,673 | 5,843 |
| Kirtland | 2,863 | 3,010 | Menefee | 5,718 | 5,888 |
| Fruitland | 3,233 | 3,397 | Point Lookout | 5,913 | 6,083 |
| Picture Cliffs | 3,448 | 3,616 | Mancos | 6,223 | 6,393 |
| Lewis | 3,748 | 3,918 | TD | 6,363 | 6,534 |

- B. MUD LOGGING PROGRAM: none
- C. LOGGING PROGRAM: Cased Hole logs only
- 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:

| CASING TYPE | OH SIZE (IN) | DEPTH (MD) (FT) | CASING SIZE (IN) | WEIGHT(LB) | GRADE |
|--------------|--------------|-----------------|------------------|------------|-------|
| Surface | 12 1/4 | 300 | 9 5/8 | 36 | K-55 |
| Intermediate | 8 3/4 | 4,095 | 7 | 20 | K-55 |
| Liner | 6 1/4 | 3,995 6,534 | 4 1/2 | 10.5 | J-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 (3) 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. <u>PRODUCTION CASING:</u> 4-1/2" 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.

IV. CEMENTING:

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

- 1. <u>SURFACE</u>: Slurry: <u>150sx</u> (205 cu.ft.) of "Type III" + 2% CaCl₂ + ¼ # 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. <u>INTERMEDIATE</u>: Lead <u>525 sx</u> (1090) cu.ft.) of "Premium Light" with 8% gel, 1% CaCl₂ and 1/4# cello-flake/sk (Yield = 2.09 cu.ft./sk, Weight = 12.1 #/gal.). Tail 50 <u>sx</u> (70cu.ft.) of "Type III" with 1/4# cello-flake/sk (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 = 1,160 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.
- 3. PRODUCTION LINER: 10 bbl Gelled Water spacer. Cement: 155 sx (325 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 325 ft³. WOC 12 hours

V. 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 is not circulated to surface.

B. PRESSURE TEST

1. Pressure test 7" & 4-1/2" casing to max 3300 psi, hold at 1500 psi for 30 minutes.

C. STIMULATION

- 1. Perforate the Point Lookout as determined from the open hole logs.
- 2. Stimulate with approximately 9,300# of 14/30 LitePropTM sand in slick water.
- 3. Isolate Point Lookout with a CIBP.
- 4. Perforate the Menefee/Cliff House as determined from the open hole logs.
- 5. Stimulate with approximately 9,300# of 14/30 LitePropTM sand in slick water.
- 6. Test each zone before removing bridge plugs.

D. RUNNING TUBING

1. <u>Mesa Verde:</u> Run 2-3/8", 4.7#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforation.

Gary Sizemore
Sr. Drilling Engineer

Rosa #189 Dir Ops Plan.doc



Rosa Unit 189 Sect. 21 T31N R5W 1455' FNL & 1780' FEL Rio Arriba County, NM Plan 1

True Vertical Depth [1000ft/in]

7000

-500

Total Depth 0° 6534-MD TD

500

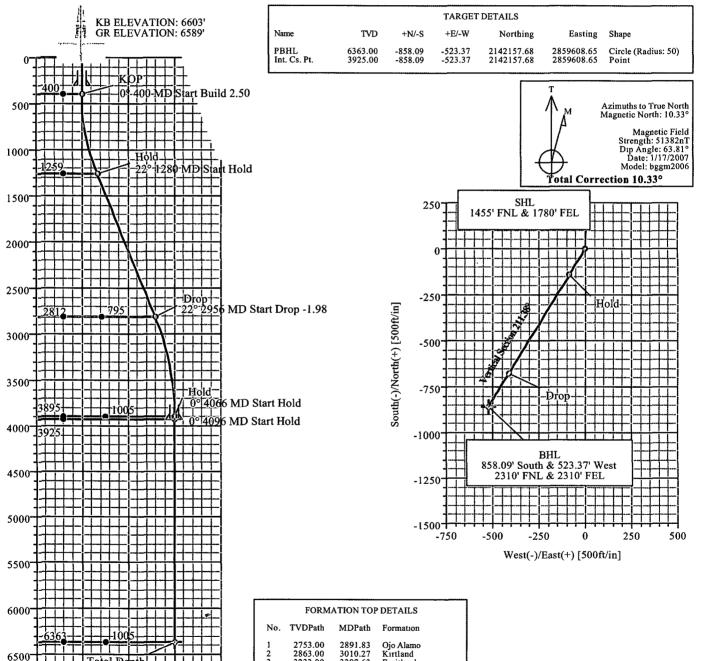
Vertical Section at 211.38° [1000ft/in]

1500

| | | | | | SECTION D | ETAILS | | | - | |
|-----|---------|-------|--------|---------|-----------|---------|------|--------|---------|--------------|
| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | DLeg | TFace | VSec | Target |
| 1 | 0.00 | 0.00 | 211.38 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 | 400.00 | 0.00 | 211.38 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3 | 1280.00 | 22.00 | 211.38 | 1258.54 | -142.47 | -86.90 | 2.50 | 211.38 | 166.88 | |
| 4 | 2955.79 | 22.00 | 211.38 | 2812.30 | -678.41 | -413.78 | 0.00 | 0.00 | 794.64 | |
| 5 | 4065.56 | 0.00 | 211.38 | 3895.00 | -858.09 | -523.37 | 1.98 | 180.00 | 1005.10 | |
| 6 | 4095.56 | 0.00 | 211,38 | 3925.00 | -858.09 | -523.37 | 0.00 | 0.00 | 1005.10 | Int. Cs. Pt. |
| 7 | 6533.56 | 0.00 | 211.38 | 6363.00 | -858.09 | -523.37 | 0.00 | 211.38 | 1005.10 | PBHL |

Weatherford°

| | | •••• | | WEI I | DETAILS | | | | |
|---|---------------|-------|-------|------------|------------|---------------|----------------|------|--|
| | | | | WELL | DETAILS | | | | |
| - | Name | +N/-S | +E/-W | Northing | Easting | Latitude | Longitude | Slot | |
| | Rosa Unit 189 | 0.00 | 0.00 | 2143018.33 | 2860127.80 | 36°53'17.988N | 107°21'53.100W | N/A | |



2863.00 3233.00 3448.00 3010.27 3397.63 3616.76 Kirtland Fruitland 2 3 4 5 6 7 8 Pictured Cliffs 3748.00 5358.00 3918.50 5528.56 Cliff House Trans 5673.00 5718.00 5913.00 5843.56 5888.56 Menefee 6083.56 Point Lookout 10 6223 00 6393.56 Mancos

Plan Plan #1 (Rosa Unit 189)

Created By: Jose Perez Date 01/18/07

Weatherford Drilling Services
11943 FM 529

Houston TX USA 77041
(713) 896 8194 MAIN
(713) 896 0498 FAX



Weatherford Drilling Services Directional Plan Report



Company: WILLIAMS PRODUCTION

Rio Arriba County (NAD 83) Rosa Unit 189

Site: Well: Rosa Unit 189 Wellpath: 1

Date: 1/17/2007

Co-ordinate(NE) Reference: Vertical (TVD) Reference: Section (VS) Reference:

Survey Calculation Method:

Time: 14:36:10 Site: Rosa Unit 189, True North

SITE 6603.0 Well (0.00N,0.00E,211.38Azi)

Db: Sybase Minimum Curvature

Survey

| MD ft | Incl deg | Azim deg | TVD ft | N/S ft | E/W ft | VŞ ft | DLS deg/100ft | MapN ft | MapE ft | Comment |
|----------|-------------|-------------|-----------|-----------|-----------|----------|------------------|------------|------------|---|
| 5900.00 | 0.00 | 211.38 | 5729.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | *************************************** |
| 6000.00 | 0.00 | 211.38 | 5829.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6083.56 | 0.00 | 211.38 | 5913.00 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | Point Lookout |
| 6100.00 | 0.00 | 211.38 | 5929.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6200.00 | 0.00 | 211.38 | 6029.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6300.00 | 0.00 | 211.38 | 6129.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6393.56 | 0.00 | 211.38 | 6223.00 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | Mancos |
| 6400.00 | 0.00 | 211.38 | 6229.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6500.00 | 0.00 | 211.38 | 6329.44 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | |
| 6533.56 | 0.00 | 211.38 | 6363.00 | -858.09 | -523.37 | 1005.10 | 0.00 | 2142157.68 | 2859608.65 | PBHL |

Targets

| Name | Description Dip. D | TVD Dir. ft | +N/-S ft | +E/-W ft | Map Northing ft | Map Easting ft | < La Deg Mi | ntitude —> n Sec | <— Lon Deg Min | gitude> Sec |
|--|--------------------|----------------|-------------|-------------|-----------------------|----------------------|----------------|---------------------|-------------------|----------------|
| Int. Cs. Pt. -Plan hit target | | 3925.00 | -858.09 | -523.37 | 2142157.682 | 2859608.65 | 36 53 | 9.503 N | 107 21 5 | 59.543 W |
| PBHL -Circle (Radius: -Plan hit target | | 6363.00 | -858.09 | -523.37 | 2142157.682 | 2859608.65 | 36 53 | 9.503 N | 107 21 5 | 59.543 W |

Annotation

| MD ft | TVD ft | | | ., | | ^, | , . | , | |
|--|--|--|--|----|---|----|-----|---|--|
| 400.00 1280.00 2955.79 4065.56 6533.56 | 400.00 1258.54 2812.30 3895.00 6363.00 | KOP Hold Drop Hold Total Depth | | | * | | | | |

Formations

| MD ft | TVD ft | Formations | Lithology | Dip Angle deg | Dip Direction deg |
|----------|-----------|-------------------|-----------|------------------|----------------------|
| 2891.83 | 2753.00 | Ojo Alamo | | 0.00 | 0.00 |
| 3010.27 | 2863.00 | Kirtland | | 0.00 | 0.00 |
| 3397.63 | 3233.00 | Fruitland | | 0.00 | 0.00 |
| 3616.76 | 3448.00 | Pictured Cliffs | | 0.00 | 0.00 |
| 3918.50 | 3748.00 | Lewis | | 0.00 | 0.00 |
| 5528.56 | 5358.00 | Cliff House Trans | | 0.00 | 0.00 |
| 5843.56 | 5673.00 | Cliff House | | 0.00 | 0.00 |
| 5888.56 | 5718.00 | Menefee | | 0.00 | 0.00 |
| 6083.56 | 5913.00 | Point Lookout | | 0.00 | 0.00 |
| 6393.56 | 6223.00 | Mancos | | 0.00 | 0.00 |

Casing Points

| MD ft | TVD ft | Diameter in | Hole Size in | Name | • | | , | , | , | , , | | |
|-------------------|-------------------|----------------|-----------------|--------------|---|--|---|---|---|-----|--|--|
| 300.00 4095.56 | 300.00 3925.00 | 9.625 7.000 | 12.250 8.500 | 9 5/8" 7" | | | | | | | | |

GEOLOGIC PROGNOSIS

Company: Project:

Wiliams Production Company. LLC

2006 Drilling Plan

Area:

Rosa Unit

Operator: Well Name:

Williams Production Company. LLC Rosa Unit No. 189 (Kmv-Directional)

Location: Footage:

County/State:

SWNE 21-31N-05W

1455' FNL & 1780' FEL Rio Arriba/New Mexico

Surveyed GL:

6589

Estimate (14') KB:

6603

| <u>Formation</u> | <u>Thickness</u> | <u>TVD</u> | Struct. Elev. |
|---------------------------|------------------|-------------|---------------|
| San Jose Fm. | 2753 | Surface | 6589 |
| Ojo Alamo Ss. | 110 | 2753 | 3850 |
| Kirtland Sh. | 370 | 2863 | 3740 |
| Fruitland Fm. | 215 | 3233 | 3370 |
| Pictured Cliffs Ss. | 300 | 3448 | 3155 |
| Lewis Sh. | 175 | 3748 | 2855 |
| Intermediate Casing Depth | 1435 | <u>3923</u> | 2680 |
| Cliff House Ss. Trans. | 315 | 5358 | 1245 |
| Cliff House Ss. | 45 | 5673 | 930 |
| Menefee Fm. | 195 | 5718 | 885 |
| Point Lookout Ss. | 310 | 5913 | 690 |
| Mancos Sh. | 140 | 6223 | 380 |
| Total Depth | NA | <u>6363</u> | 240 |

Mechanical Logs:

Cased hole (TMDL, CBL) logs only

Correlation Logs:

Rosa Unit No. 132 (SWSW 22-31N-05W)

Notes:

This well will be directionally drilled to a BHL

2310' FNL & 2310' FEL 21-31N-05W

No log control in quarter section

GENERAL ROSA DRILLING PLAN

Rosa Unit boundries:

T31N, R4W: all except sections 32-36 T31N, R5W: all except sections 1 & 2

T31N, R6W: all except sections 6,7,18,20, & 27-36

T32N, R6W: sections 32-36

| FORMATION | LITHOLOGY | WATER | GAS | OIL/COND | OVER-PRES | LOST CIRC |
|-------------|--|----------|----------|----------|-----------|-----------|
| Nacimiento | Interbedded shales, siltstones and sandstones | Possible | Possible | No | No | No |
| Ojo Alamo | Sandstone and conglomerates with lenses of shale | Fresh | No | No | No | No |
| Kirtland | Shale W/interbedded sandstones | No | Possible | No | No | No |
| Fruitland | Inter, SS, SiltSt, SH &Coals w/carb, SS, SiltSt, SH | Yes | Yes | No | Possible | Possible |
| | Massive Sandstone w/thin interbedded shales | Possible | Yes | Possible | No | Possible |
| | Shale w/thin interbedded sandstones and siltstones | No | Possible | No | No | No |
| Cliff House | Transgressive sandstones | Possible | Yes | No | No | No |
| Menefee | Sandstones, carb shales and coal | Possible | Yes | No | No | No |
| | Regressive coastal barrier sandstone | Possible | Yes | Possible | No | Yes |
| Mancos I | Marine shale and interbedded sandstone | No | Possible | Possible | No | Possible |
| Jpr Dadota | Marine sand and shales | . No | Yes | Possible | No | Possible |
| wr Dakota | Fluvial sands, shales, & coal | Possible | Yes | Possible | No | Possible |

DRILLING

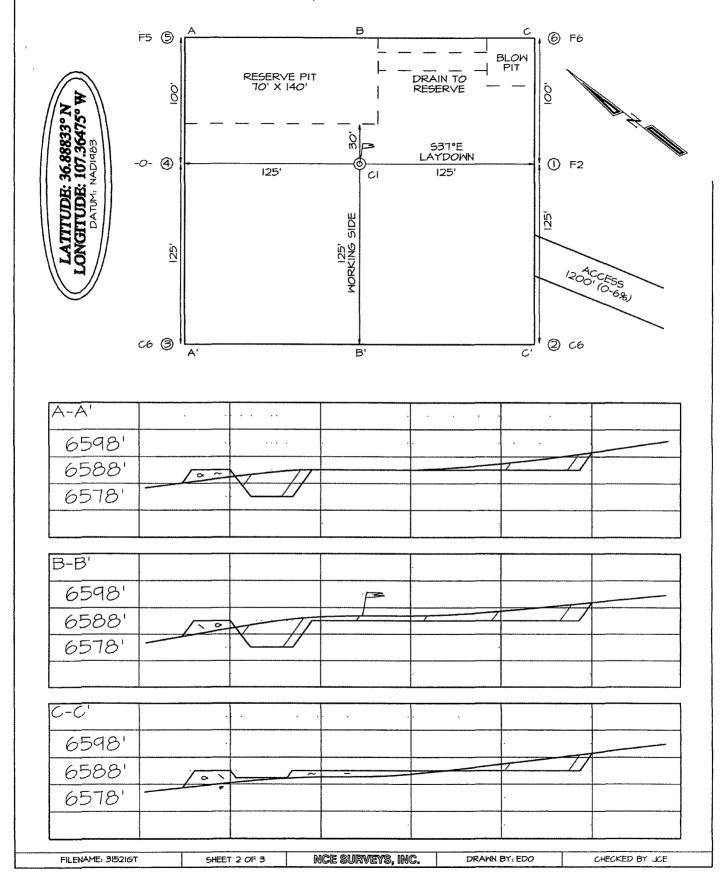
Potential Hazards:

- 1. There are no overpressured zones expected in this well.
- 2. No H2S zones will be penetrated while drilling this well.

Mud System:

- Surface The surface hole will be drilled with a low-solids, non-dispersed system with starch and lost circulation material as needed. Expected mud weights will be in the 8.4 to 9.0 lb per gal range. Viscosities will be in the 30 to 60 sec/qrt range as needed to remove drill cuttings.
- 2. Intermediate The intermediate hole will be drilled with clear water and Benex to TD where the well will be mudded up to log and run casing. The mud system will be low-solids, non-dispersed with mud weights in the 9 to 10 lb per gal range as needed to control the well. Viscosities will be in the 45 to 55 range as needed to support any weight material. The weight material will consist of Barite.
- Production The well will be drilled using air from the intermediate casing point to TD. For Fruitland Coal wells, the coal section will be drilled with air/mist.

WILLIAMS PRODUCTION COMPANY ROSA UNIT #189 1455' FNL & 1780' FEL, SECTION 21, T31N, R5W, NMPM RIO ARRIBA COUNTY, NEW MEXICO BLEVATION: 6589'



WILLIAMS PRODUCTION COMPANY, LLC

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Typical BOP setup

