

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5 Lease Serial No
Jicarilla Apache Contract #92
6 Indian, Allottee or Tribe Name
Jicarilla Apache Nation
7 If Unit or CA Agreement, Name and No
DECEIVED
8 Lease Name and Well No
Jicarilla 92 #18A

RECEIVED
BUREAU OF LAND MANAGEMENT
JUL 17 2008

1a Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		
1b Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		
2 Name of Operator Williams Production Company, LLC		
3a Address P.O. Box 640 Aztec, NM 87410	3b Phone No. (include area code) (505) 634-4208	9. ABL Well No 30-039-29943
4 Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1850' FNL & 2000' FEL At proposed prod zone same		10. Field and Pool, or Exploratory Blanco MV
14 Distance in miles and direction from nearest town or post office* 16 miles from Lindrith, NM		11. Sec., T, R., M., or Blk and Survey or Area 4 Section 29, T27N R3W
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drg unit line, if any) 1850'	16 No. of Acres in lease 320	17 Spacing Unit dedicated to this well E 320 (W/2)
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 300'	19 Proposed Depth 6,641'	20 BLM/BIA Bond No. on file B001576
21 Elevations (Show whether DF, KDB, RT, GL, etc) 7,262' GR	22 Approximate date work will start* August 1, 2005	23 Estimated duration 1 month

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office)
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer

25 Signature: Larry Higgins
Name (Printed/Typed): Larry Higgins
Date: 5-31-06

Approved by: Jim Lohr
Name (Printed/Typed):
Date: 7/14/08

Title: Acting ABL Minerals
Office:

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

*(Instructions on reverse)

Williams Production Company, LLC, proposes to drill a vertical well to develop the Blanco Mesa Verde formation at the above described location in accordance with the attached drilling and surface use plans.

The surface is located on Jicarilla Apache Nation lands

This location has been archaeologically surveyed by Velarde Energy

A 1582.3 foot pipeline tie would be required for this location and it is also located on Jicarilla Apache Nation Lands

300' of new access road will be needed to access this well

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

FIELD OFFICE FOR NISL

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

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

subject to technical and review pursuant to 43 CFR 3165.3 pursuant to 43 CFR 3165.4

NMOCD

JUL 17 2008

RCVD JUL 17 '08
OIL CONS. DIV.
DIST. 3

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1291 W. Grand Avenue, Artesia, NM 88210
District III
1600 Rio Brazos Rd., Aztec, NM 87410
District IV
1210 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30039-29943	Pool Code 72318	Pool Name BLANCO MESA VERDE
Property Code 17028	Property Name JICARILLA 92	Well Number 18A
OCRID No. 120782	Operator Name WILLIAMS PRODUCTION COMPANY	Elevation 7262

10 Surface Location

CL of Lot No. G	Section 28	Township 27N	Range 3W	Lot No. 	Feet from the 1850	North-South line NORTH	Feet from the 2000	East-West line EAST	County RIO ARriba
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12 Bottom Hole Location If Different From Surface

CL of Lot No. 	Section 	Township 	Range 	Lot No. 	Feet from the 	North-South line 	Feet from the 	East-West line 	County
Dedicated Acres 320 Ac. (E/2)	Joint or Infill 	Consolidation Code 	Order No. 						

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	5278.51	29	5274.96	5279.25	1850'	2000'	5284.96	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Heather Riley Regulatory Spec. 7/17/08
								18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief. November 04, 2005 Oil B. TULLY REGISTERED PROFESSIONAL LAND SURVEYOR 9672



WILLIAMS PRODUCTION COMPANY

Operations Plan

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

DATE: 5/30/2006 **FIELD:** Blanco MV
WELL NAME: Jicarilla 92 #18A **SURFACE:** BOIA
BH LOCATION: SWNE Sec 29-27N-3W **MINERALS:** Jicarilla #92
Rio Arriba, NM
ELEVATION: 7,262' GR **LEASE #** Jicarilla #92
MEASURED DEPTH: 6,641'

I. GEOLOGY: Surface formation - San Jose

A. FORMATION TOPS: (KB)

Name	MD	Name	MD
Ojo Alamo	3,576	Cliff House	5,821
Kirtland	3,765	Menefee	5,891
Fruitland	3,811	Point Lookout	6,191
Picture Cliffs	4,046	Mancos	6,461
Lewis	4,246	TD	6,641

- B. MUD LOGGING PROGRAM:** Mudlogger on location at 3,400' to intermediate casing TD and intermediate casing to TD.
- C. LOGGING PROGRAM:** High Resolution Induction/ GR and Density/ Neutron log from surface casing to intermediate casing and intermediate shoe to TD. Onsite geologist will pick Density/ Neutron log intervals on both 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	12-1/4"	+/- 300'	9-5/8"	36# K-55
Intermediate	8-3/4"	+/- 4,426'	7"	20# K-55
Prod. Liner	6-1/4"	+/- 4,326'-6,641'	4-1/2"	10.5# K-55

B. FLOAT EQUIPMENT:

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

IV. CEMENTING:

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

1. SURFACE: Slurry: 150sx (205 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 - 570 sx (1,190 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 sx (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 space. Lead: 50sx (130ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE. (Yield = 2.59 cu.ft./sk, Weight = 11.6 #/gal.). Tail: 100 sx (215 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, 1/4 #/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 308 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 3300# for 15 minutes.

C. STIMULATION

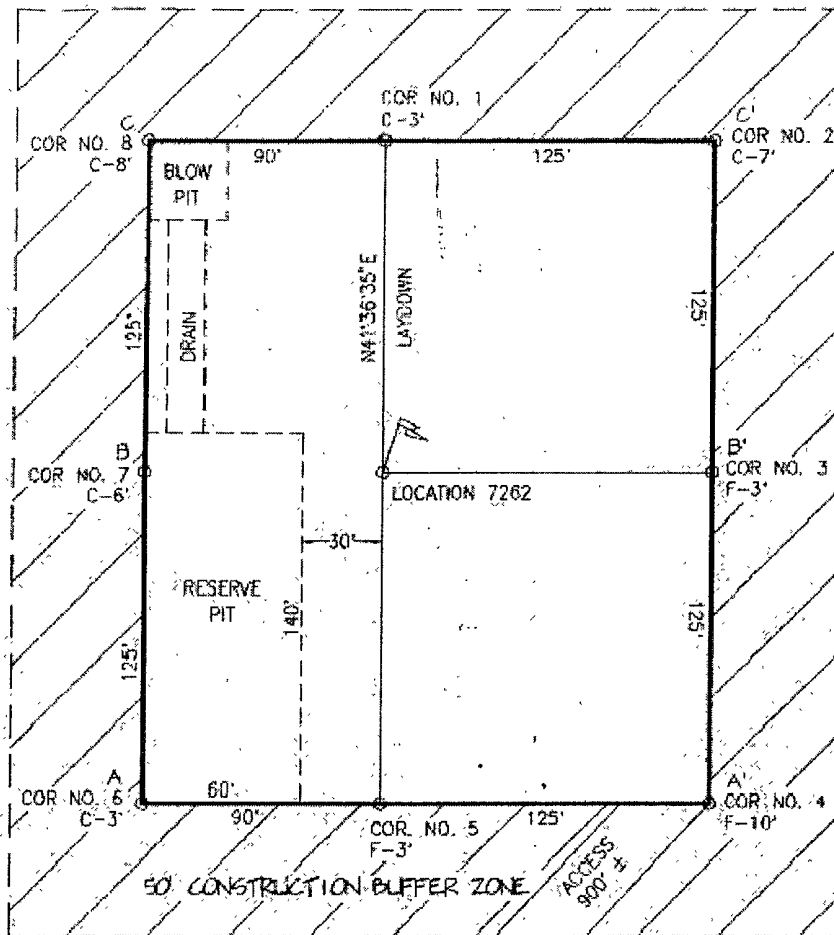
1. Perforate the Point Lookout as determined from the open hole logs.
2. Stimulate with approximately 9,300# of 14/30 LiteProp™ sand in slick water.
3. Isolate Point Lookout with a CIBP.
4. Perforate the Menefee/Cliff House as determined from the open hole logs.
5. Stimulate with approximately 9,300#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

D. RUNNING TUBING

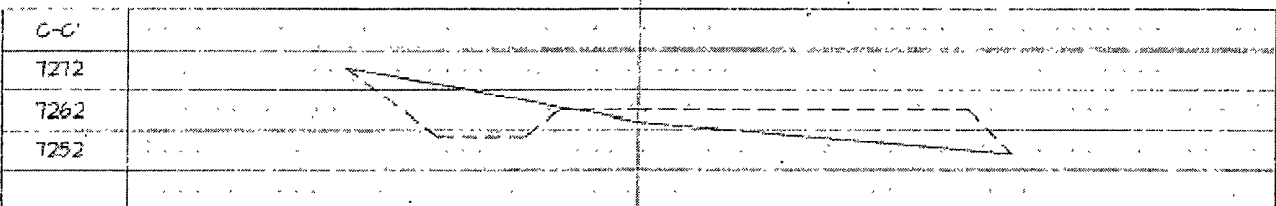
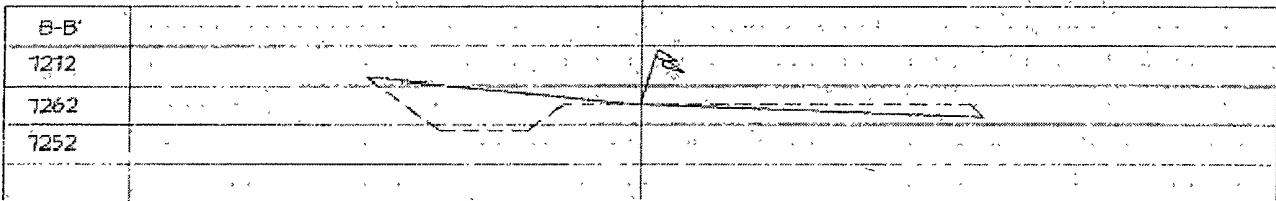
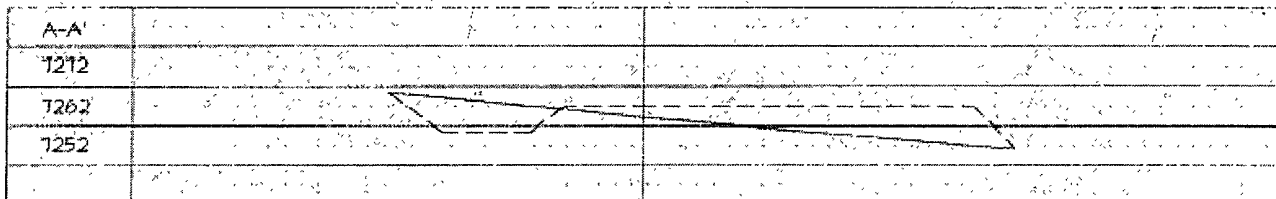
1. Mesa Verde: Run 2-3/8", 4.7#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforation.


Gary Sizemore
for Sr. Drilling Engineer

WILLIAMS PRODUCTION COMPANY
 JICARILLA 92 #18A
 1850 FNL & 2000 FEL
 SECTION 29 T27N R3W NMPM
 RIO ARRIBA COUNTY, NEW MEXICO
 ELEVATION: 7262

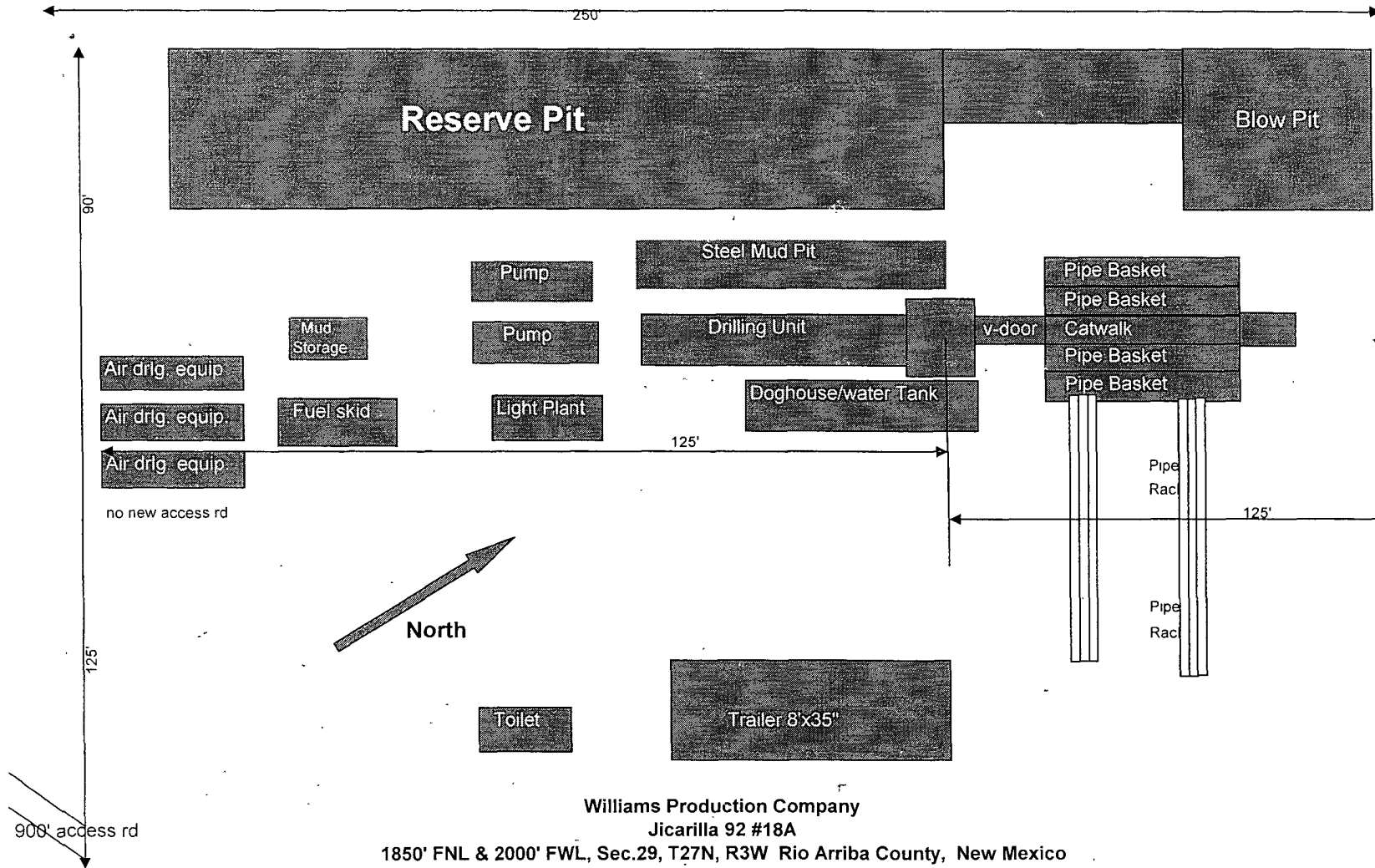


LATITUDE: 36°32'48" N
 LONGITUDE: 107°09'57" W
 WGS 84
 VERT. DATUM: NAD 1921



Plat #3 Location Diagram

Location Dimensions 215' X 250'



Williams Production Company
Jicarilla 92 #18A

1850' FNL & 2000' FWL, Sec.29, T27N, R3W Rio Arriba County, New Mexico

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Exhibit #1 Typical BOP setup

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)

