

In Lieu of **UNITED STATES** FORM APPROVED Form 3160 DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT BUREAU OF LAND MANAGEMENT Budget Bureau No. 1004-0135 (June 1990) Farmington Field Office Lease Designation and Serial No. SUNDRY NOTICE AND REPORTS ON WELLS NM-03190 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 6. If Indian, Allottee or Tribe Name POUD MAR 24 '09 If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Cox Canyon 7 CONS TILL Type of Well Well Name and No. Cox Canyon Unit.#7C Oil Well X Gas Well Other Name of Operator 9. 2. API Well No. WILLIAMS PRODUCTION COMPANY 30-045-33018 10. 3. Address and Telephone No. Field and Pool, or Exploratory Area PO BOX 640 Aztec, NM 87410-0640 Blanco MV/Basin DK Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Surface: 1485' FSL & 1940' FWL Sec. 17, T32N, R11W San Juan, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction X Subsequent Report. Plugging Back Non-Routine Fracturing X Casing Repair Water Shut-Off Final Abandonment Altering Casing Conversion to Injection Other Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report 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 13. directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* 1-28-09 Moved in & spotted R&E. Set up with rig mast. Spotted and NU w/ rig pump and flowback tank. Filled rig pit w/ 2% kcl. ND w/ xmas tree and NU w/ BOP -function test BOP - NU w/ working platform. Rigged to pick up tubing and bridge plug. Made well safe for night. Trav to loc. Serv rig. Held safe mtg. Moved in and spotted 23/8" PS tbg. TlH w/ mule shoe & 23/8" PS tbg - meas & picked tbg up in sgls. Tbg set dwn solid on top of csg patch. Worked through csg patch. Ran 7 more jts through patch w/ each collar sitting dwn on patch Each collar hanging up on patch pulling back through patch. TOH w/ tbg - laid tbg dwn in sqls. Sent PS tbg to Tubascope to have tbg collars beveled on top and bottom. Tbg will be ready for pick up Monday morning. 2-02-09 Travel from Farmington yard to wellsite. Sevice rig. Held safety meeting. - W/O Triple S to Deliver tbg f/ Tuboscope / did not have slip grip elevators on trailer w/ tbg - Drive to Weatherford & PU 2 3/8" elevators & haul back to rig - Tally, rabbit & TIH w/ 90 jts 2 3/8" tbg w/ turned down collars, set bttm of tbg @ 2890' - PU tools, install TIW valve & SIWFN 2-03-09 PJSM w/ crew, PU 2 3/8" tbg and TIH, tag @ 4735', RU to rev circ, est circ, circ down to 4735' CIBP, circ hole clean, install TIW vIv on tbg, SI PR's, press tst csg 520 psi, 15 min lost 55 psi, 30 min lost 100 psi, notify engineer, TOOH w/ 2 3/8" tbg, MU 5 1/2" tension pkr and TIH, set pkr @ 2851', press ann. to 500# - lost 100# 5 min, press down tbg, lost 400# 2 min, set pkr @ 2722' (sqz holes @ 2750'), test ann 500#, lost 50# 10 min, set pkr @ 2819', tst ann 500#, lost 120# 5 min, tst down tbg, lost 400# 2 min, majority of leak off below csg patch, rel pkr, TOOH, secure well, drain up equip, SDFN 14. I hereby certify that the foregoing is true and correct Title Operations Engineer Date 3-2-09 Signed ACCEPTED FOR DECOR (This space for Federal or State office use) Title Approved by_ Date FARMINGTON FIELD OFFICE BY TE SAYERS

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. NIMOCD by 3/3/

Conditions of approval, if any: CONDUCT MIT ON OR BEFORE FEB 24, 2010

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2-04-09

PJSM, SICP=0, TIH w/ 3 1/2" OD inflateable pkr and isolate csg leak, set pkr below csg patch, tst 500 psi, lost 75 psi 5 min, set below sqz holes @ 3000', 3800', tst 500 psi, lost 75 psi 5 min, set below sqz holes @ 4230', tst 500 psi, lost 400 psi 4 min, set below sqz holes @ 4650', tst 500 psi, lost 400 psi 4 min, notify engineer, isolated leak @ 4230', rel pkr, TOOH, element on pkr was damaged, TIH w/ 1/2 MS and 2 3/8" tbg to 4264', SI tbg and csg, secure pipe rams, drain up, SDFN

2-05-09

PJSM, SICP=0, RU Halliburton, spot 5 bbl cmt plug 4264' to 4049' (hole @ 4230'), PU to 3940', rev out 1/2 bbl good cmt, SI tbg and pipe rams, press down csg, st hesitation sqz @ 11:55, pumped .5 bbls press to 525#, lost 100# 15 min, pump .1 bbl press to 520#, lost 75# 15 min, pump .1 bbl press to 535#, lost 70# 15 min, press sqz back to 520#, SIW, RD Hallibuton, drain up pump, SDFN

2-06-09

PJSM, SICP=150 psi, bleed off slow, pull tbg up to 2781', RU Howco, PJSM, tst lines 1000 psi, bleed off lines, press tst csg 500 psi, lost 70 psi 5 min, bleed off press, open csg vlv, pump 10 bbls water ahead, spot 5 bbls micro-matrix cmt plug @ 11 ppg across sqz holes @ 2750', PU to 2523', rev out 1/2 bbl cmt, TOOH w/ tbg, SI blind rams, st hesitation sqz @ 10:30, press csg to 500 psi - lost 130 psi 15 min, press to 500 psi - lost 70 psi 15 min, press to 500 psi - lost 55 psi, press to 500 psi - lost 45 psi 15 min, press csg to 500 psi, SIW, SDFW, WOC, will resume operations on 2/9

2-09-09

PJSM, SICP=0, press tst csg before TIH to 530 psi, lost 50 psi 30 min, bleed off press, PU 6 3/18" DC's and TIH w/ 4 3/4" bit and 2 3/8" tbg to 2517', RU PS, est rev circ and circ out cmt plug 2566' to 2790', circ down to top of csg patch, RD PS, LD 12 jts, TOOH w/ 4 3/4" bit, load hole and tst csg 540 psi, lost 120 psi 30 min, bleed off csg and make sure no air in csg, retst to 530 psi, lost 120 psi 30 min, notify engineer, call for 5 1/2" tension pkr, RIH w/ pkr and 1 jt, set pkr and tst WH 900 psi, lost 300 psi in 1min, lost another 200 psi in 15 min, bleed off press, rel pkr and TOOH, secure well, drain up, SDFN

2-10-09

SICP=0, PJSM, Antelope on loc tst seals on 10 3/4" and 7 5/8" 1500 psi, good tst, tst seals on 7 5/8" X 5 1/2" 1500 psi, good tst, ND tbg head per engineer and visually insp, looked good, NU tbg head, Antelope tst tbg head 1500 psi, good tst, NU BOPE, set 5 1/2" pkr @ 15', load hole, SI pipe rams, tst 15' of csg and WH 1200 psi, 12 min lost 850#, 15 min lost 920#, 22 min lost 1100#, Antelope re-tst seals 1900#, set pkr just inside 5 1/2", test tbg head and BOPE 1000#, lost 925# 10 min, swap out pkr, set @ 30', tst annulus 1000#, 2 min lost 500#, tst down tbg to 500#, lost 50# 15 min, bleed off press, rel pkr TOOH, RU Warrior WL, shoot to sqz holes @ 1380', SI blind rams, pump down 5 1/2" csg and out braden head between 5 1/2" and 7 5/8" csg, took 2 bbls to load, pump 80 bbls, secure well, drain up, SDFN

2-11-09

PJSM, thaw out csg vlv, SICP=0, RU Howco, PJSM, tst lines 3000 psi, cmt 5 1/2" X 7 5/8" csg, pump down 5 1/2" csg and out sqz holes @ 1380' and back up out csg head vlv, pump 10 bbls fresh water ahead, mix and pump 250 sxs G neat cmt @ 15.6 ppg (52 bbls), SD, wash pumps and lines, displ w/ 27.5 bbls water, (circ 25 bbls good cmt to surf), SI braden head, press to 600 psi, SIW, RD Howco, drain up lines, crew serv unit, SDFN, WOC

2-12-09

PJSM, csg vlvs and BOPE froze, thaw out vlvs and BOPE, SICP=0, clean cmt out of blind rams, change out 2 vlvs on pit and replace suction hose, TIH w/ 4 3/4" bit, 6 - 3 1/8" DC's and 2 3/8" tbg to 1163', PU PS, est rev circ, PU singles and circ down to 1248', drill cmt 1248' to 1292', (44' in 8 min), circ clean, notify engineer, he said to tst before drill out rest of cmt, SI pipe rams, press tst 5 1/2" csg 1292' to surf before D/O rest of cmt, press to 660 psi 30 min, lost 20 psi, bleed off press, D/O cmt 1292' to 1421', drill stringer 1421' to 1446', drilled down jt every 21 min, circ clean, TIH to 1550', RD PS, LD 12 jts, TOOH w/ 4 3/4" bit, load hole w/ water, SI BR's. press tst 5 1/2" csg 4049' to surf, 14:45 - press 560 psi, watch for 30 min, lost 200 psi, bleed off press, secure well, drain up, SDFN

<u>2-13-09</u>

PJSM, SICP=0, isolte leak w/ 5 1/2" pkr, set pkr 15' in and tst tbg head and BOPE, rams leaking by, replace ram rubbers, test 670 psi 30 min lost 30 psi, drop below sqz holes @ 1380' and set pkr @ 1532', test annulus 520 psi 30 min lost 20 psi, drop below sqz holes @ 2750', set pkr @ 2850', tst annulus 520 psi 30 min lost 180' psi, tst down tbg 30 min lost 40 psi, notify engineer, call for another set of BOPE's, ND BOPE, NU new BOPE, got same results testing @ same intervals, TOOH, secure well, drain up, SDFW

2-16-09

Trav to loc. Serv rig. Held safe mtg. Csg = 0 psi. Made up w/ 37/8" bit - 6 x 31/8" DCs & TIH w/ same on 23/8" PS tbg. Hung tbg off @ 2600'. Press tst csg @ 500 psi. Bled from 500 psi to 340 psi = 160 psi loss in 30 min. TOH w/ tbg & drilling assemb. Brk dwn w/ tools. Ordered out PKR & RBP. Tools arrived on loc. Made up 51/2" x 17# Ret G Plug -- TIH w/ RBP & tbg. Set RBP @ 2783' (trouble setting RBP -- slidding dwn hole. Got to set @ 2783'. Released from RBP. Press tst csg & RBP at 500# - bled off 160# in 30 min -- good tst on RBP. TOH w/ tbg & ret head. Made up Baker 51/2" x 17# full bore pkr w/ unloader. TIH w/ tbg & pkr assemb. Hung off pkr @ 2780'. Winterized pump & rig equip. Made well safe for night.

<u>2-17-09</u>

Trav to loc. Serv rig. Held safe mtg. MIRU w/ HPS equip. Press tst lines. Held pre-job safe mtg. RBP set @ 2783' w/ pkr hung @ 2780'. Pumped ahead w/ 2 bbls kcl spacer - 3 bbls permaseal - 4 bbs kcl at 3 bpm @ 300. Locked up - press jumped to 3000 psi - lost circ. Surged off press several times and got circ @ 3000 psi at 3/4 bpm rate. Pumped 5 bbls kcl attempting to flush Permaseal from tbg. Locked up leaving 11/4 bbls Permaseal inside of tbg. TUH 125' - attempted to circ by reverse circ to no avail. Left 11/4 bbls Permaseal in tbg. Rigged out w/ HPS equip. TOH w/ pkr & tbg -- pulled tbg wet. Bottom 17 jts tbg plugged solid w/ Permaseal jello. Laid down & replaced 17 jts 23/8" tbg. Made up 37/8" bit - 6 x 31/8" DCs & TIH w/ same on 23/8" tbg. Brk circ each 20 jts to clear pipe of Permaseal ribbons. Tag Permaseal fill at 2648'. Nu w/ circ pmp. Circ Permaseal fill from 2648' to top of RBP @ 2783', Circ wellbore clean. ND w/ circ pmp. Toh w/ tbg & drill assemb. Made up Baker 51/2" x 17# fullbore pkr w/ unloader. TIH w./ same on tbg. Hung off pkr @ 2780'. Winterized equip. MSFN.

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2-18-09

Trav to loc. Serv rig. Held safe mtg. MIRU w/ HPS pumping equip. Press tst lines @ 3000#. Held pre-job safe mtg. With RBP set @ 2783' & PKR hung off @ 2780'. Pumped ahead w/ 4 bbls FW. Pumped 3 bbls Permaseal. Displaced w/ 10.2 bbls FW to balanced plug. TUH w/ PKR & set @ 2496'. Made first squeeze - press to 750# -- bled to 445# in 5 min and bled to 400# in 10 min. Made second squeeze - press to 750# -- bled to 517# in 5 min and bled to 562# in 5 min and bled to 541# in 10 min. Made fourth squeeze -- pressured to 750# -- bled to 597# in 5 min and bled to 564# in 10 min. Made fifth squeeze -- press to 750# -- bled to 609# in 5 min and bled to 585# in 10 min -- holding solid @ 585. Shut well in at 0930 hrs. Displaced a total of 6/10 bbl permaseal into squeeze holes. Rigged out w/ HPS equip. Winterized pump & rig equip. Made well safe for night. Standing Permaseal until tomorrow morning at 0700 hrs.

2-19-09

Trav to loc. Serv rig. Held safe mtg. Csg = 0#. NU w/ circ pmp. Press tst Permaseal squeeze hole at 500#. Bled off 130# inn 10 min - no improvement. Release pkr & TUH 30'. Set pkr & press tst squeeze holes @ 500# - bled off 130 psi in 10 min -- released pkr. TOH w/ PKR & tbg - brk dwn & load out w/ PKR. Made up w/ retrieving head -- TIH w/ ret head assemb on 23/8" PS tbg. Tagged top of Permaseal fill @ 2725'. NU w/ circ pmp and unable to brk circ - worked pipe and surged press - got circ. Circ Permaseal fill from 2725' to RBP @ 2783'. Circ wellbore clean. ND w/ circ pmp. Latched onto RBP & released same. TOH w/ bridge plug & tbg. Broke dwn & loaded out w/ tools. Winterized pump and rig equip. Made well safe for night. Empty and clean Permaseal returns from rig pit.

2-20-09

Trav to loc. Serv rig. Held safe mtg. Csg = 0#. Made up & TIH w/ mule shoe on 23/8" PS tbg. Stopped solid at 4102'. NU w/ circ pump and broke circ w/ 2% kcl. Worked pipe and got moving down hole w/ tbg. Rec heavy cmt returns. Worked through cmt stringers from 4102' to 4260' -- fell through cement. Completed TIH w/ tbg to CIBP at 4730'. Circ wellbore clean. ND w/ circ pump. Hung tbg off at 4729' = 1' above CIBP. Winterized pump and rig equipment. Made well safe for night.

2-23-09

Trav to loc. Serv rig. Held safe mtg. Wait on 300 PSI equip to arrive on loc. MIRU w/ 300 PSI equip. Mixed chemicals. Held pre-job safe mtg. Pumped 3536 gals 300 PSI chem down backside -- completely covering the annulus from CIBP @ 3730' to surface w/ 300 PSI. Pressured to 250# - held -- pressured to 750 psi. Left nitrogen pressure on csg at a constant press of 750 psi overnight. Made well safe for night. winterized pump and rig equipment.

2-24-09

Trav to loc. Serv rig. Held safe mtg. Press tst csg at 790 psi -- solid 1 hr tst. Rigged chart - made 30 min charted press tst at 500 psi -- solid 30 min tst. ND w/ 300 PSI pump & equip. NU w/ circ pmp. Disp 300 PSI chem from wellbore w/ 2% kcl. Hauled 300 PSI chem to XTO tank. ND w/ circ pmp. TOH w/ tbg. Made up 37/8" junk mill - 31/8" jars -- 6 x 31/8" drill collars. TIHw/ milling assemb on 23/8" PS tbg. Stagged in hole w/ tbg - unloading kcl from wellbore w/ air. Hung off mill assembly at 4700' = 30' above CIBP. NU w/ power swivel. Made well safe for night. winterized pump and rig equip.

<u>2-25-09</u>

Trav to loc. Serv rig. Held safe mtg. Csg = 0 psi. NU w/ AP. Unable to break circ w/ air. Tbg plugged. ND w/ AP and PS. Dbl up w/ drilling line to 2 - line string up. TOH w/ tbg & mill assemb. String float and mill plugged solid w/ Permaseal debris from inside tbg walls. Unable to clean Permaseal from mill ports. Ordered out new mill from Farmington. Got mill from Farmington. Made up 37/8" mill - 31/8" jars - 6 x 31/8" DCs. TIH w/ tbg & mill assemb -- broke circ w/ air each 30 jts to clear Permaseal debris from inside tbg. Tagged top of CIBP at 4730'. Singled out w/ drilling line to 4 - line string up. NU w/ air pack and power swivel. Broke circ w/ 15 BPH A/S/CI in 25 min at 600 psi. Milled on CIBP from 4730' to 4732'. Gas broke through & blowing in excess of 1000 mcf/day. Press holding mill off of CIBP. Made well safe for night. Winterized pump and rig equip. ND w/ air pack.

2-26-09

Trav to loc. Serv rig. Held safe mtg. Csg = 600 psi -- BD to FB tank & killed w/ 2% KCL. Worked pipe & got CIBP remnant moving dwn hole. Tripped in hole w/ tbg & mill assemb - chasing CIBP remnants - picked tbg up in sgls - meas & rabbited same. Stopped solid at 8090' = 116' above PBTD @ 8206'. Single out w/ drilling line to 4 line string up w/ line weight indicator. NU w/ power swivel & air pack. Broke circ w/ 12 BPH A/S/CI in 30 min @ 1200# - disp 20 bbls form wtr w/ air. Milled CIBP remnants from 8090' to 8122'. Recov frac snd and very large pieces of CIBP remnants. Made PTO test = 68 psi = 7158 mcf./day. Will make choke test tomorrow to verify flow test. Circ wellbore clean. TUH w/ tbg & mill assemblyy. Hung off above all perfs at 4900' Winterized pump and rig equip. Made well safe for night.

2-27-09

Trav to loc. Serv rig. Held safe mtg. Csg = 560 psi. NU w/ choke to flow test. Made flow check test w/ 1/2" choke. Press to 385 psi = 2541 mcf/day. ND w/ choke. TDH w/ tbg & mill assemb. Tag top of frac snd fill @ 8107' = 15' sand fill overnight. Sgl out w/ drilling line to 4 line string up w/ line wt indicator. NU w/ pwr swivel & air pack. Brk circ w/ 12 bph A/S/Cl in 25 min at 1200 psi. Disp 20 bbls form wtr w/ air. Circ frac snd from 8107' to 8122'. Milled on CIBP remnants - stuck mill @ 8122'. Jarred free at 65,000#. Mill sticking badly @ 8122'. Circulated wellbore clean @ 8122' = 46' rat hole. Unable to make any hole w/ mill. Afraid of sticking mill - called milling operation to a halt. Circ wellbore clean at 8122'. Made soap sweeps. No sand returns. Circ clean for 1 solid hr. Tripped out of hole with tbg & milling assembly. Single dwn w/ drill collars & mill assemb. Broke dwn and load out w/ fishing tools.

<u>3-2-09</u>

Trav to loc. Serv rig. Held safe mtg. Csg = 600 psi - BD to FB tnk - killed w/ 2% kcl. Made up mule shoe -- I jt 23/8" tbg -- 1.78" SN w/ exp chk and TIH w/ same on 23/8" PS tbg. Landed tbg w/ SN @ 8016' and OA @ 8050'. ND w/ work platfor & BOP. NU w/ recon xmas tree. MIRU w/ Antelope -- press tst WH - Xmas Tree - Tbg Hgr at 2000 psi -- solid test.

COX CANYON UNIT #7C BLANCO MV/BASIN DK

Spud Date 03/09/08 06/13/08 Completed 1st Delivery 00/00/00

Location:

1,485' FSL & 1,940' FWL NE/4 SW/4 Section 17, T32N, R11W San Juan, NM

Elevation: 6,737' GR API #: 30-045-33018

> Top <u>Depth</u> Fruitland Coal 3121' Pictured Cliffs 3388' Lewis 3575' Huerfanito Bentonite 4070' CliffHouse 5167' Menefee 5320' Point Lookout 5681' Mancos Sh. 6060' Dakota Ss. 7899'

Uppr Cliffhouse 4929' - 5182' (33, 0.34" holes) Frac w/ 9300# LP 125 14/30, followed w/ 5900# brown sand 20/40.

CH/MEN 5224' - 5564' (42, 0.34" holes) Frac CH/MEN w/ 9300# LP 125 14/30 follow w/ 2000# brown sand 20/40

Point Lookout 5609' - 5972' (90, 0.34" holes) Frac w/ 9300# LP 125 14/30 follow with 2000 lbs. of 20/40 brown sand

Dakota 7900' - 8076' (90, 0.36" holes) frac DK w/ 10,900 lbs LP 108

8 jts of 10 3/4", 40 5#, K-55, ST&C csg, landed @ 361'. 62 jts 7 5/8", 26.4#, K-55, LT&C landed @ 2864' 183 jts of 5 1/2", 17#, N-80, 8rd, LT&C csg, landed @ 8142'. 4" Casing Patch 2907' parted casing Sqz @ 1380' Sqz @ 2750' Sqz @ 3000' Sqz @ 3800' Sqz @ 4230' Sqz @ 4650' Sqz @ 4820' 4929' 5182' 5224' 5564' 5609' 5972'

Tubing landed as follows: 249 total its of 2 3/8", J-55, 8-EUE, 4.7# tbg, @ 8050', .45' mule shoe, 1 jt of 2 3/8" tbg, 1.78" seat nipple @ 8016' w/exp check, 247 jts 2 3/8" tbg, 2' & 8' x 2 3/8" pup jts, 1 jt 2 3/8" tbg

PBTD @ 8122' TD @ 8206'

7900

8076

HOLE SIZE	CASING	CEMENT	CU. FT.	CMT TOP
14-3/4"	10-3/4", 40.5#	300 s xs	420 cu.ft.	Surface
9-7/8"	7-5/8", 26.4#	700 s xs	1406 cu.ft.	Surface
6-3/4"	5-1/2", 17#	370 sxs	888 cu.ft.	Surface

RML 03/03/09