

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
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised 1-1-89

DISTRICT II
811 South First, Artesia NM 88210

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

SUNDRY NOTICES AND REPORTS ON WELLS (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)		WELL API NO. 30-039-22778
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator WILLIAMS PRODUCTION COMPANY		6. State Oil & Gas Lease No. SF-078764
3. Address of Operator P O BOX 3102, MS 25-4, TULSA, OK 74101		7. Lease Name or Unit Agreement Name: ROSA UNIT
4. Well Location (Surface) Unit letter <u>A</u> : 800 feet from the <u>NORTH</u> line & 990 feet from the <u>EAST</u> line Sec 20-31N-R5W RIO ARRIBA, NM		8. Well No. #85
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6441' GR		9. Pool name or Wildcat BLANCO MV/BASIN DK

Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

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	
X OTHER: <u>COMMINGLE</u>		OTHER: _____	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)

- Pre-approved Pool Division Order R-11363.
- Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- Perforated intervals: Blanco MV 5545' - 5892', Basin Dakota 7981' - 8074'.
- Fixed percentage allocation based upon production data of 30% Blanco MV and 70% Basin Dakota. See attached information for details. This allocation may be adjusted at a later date based on further testing.
- Commingling will not reduce the value of reserves.
- Notification of working, royalty, and overriding royalty interest owners; no notice is required per R-12991.
- The BLM has been notified and has approved the work on sundry notice form 3160-5.

RCVD JUN 8 '09
OIL CONS. DIV.

DIST. 3

Please see attached for commingling procedure:

DHC 3160A Z

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Rachel Lipperd TITLE: Engineering Technician II DATE: June 4, 2009

Type or print name Rachel Lipperd Telephone No: (918) 573-3046

(This space for State use) APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE JUN 10 2009
Conditions of approval, if any: District #3



EXPLORATION & PRODUCTION

COMMUNICATION REPAIR & COMMINGLING PROCEDURE

ROSA #85
T31N, R5W, SECT. 20
ELEVATION: 6441' GR
TD: 8086' MD

WELLBORE STATUS:

DK 1-1/2", 2.9 #/FT EUE, To 8076' MD

5-1/2" BAKER MODEL D PACKER @ 6100' MD

MV 1-1/4", 2.3 #/FT IJ, To 5774' MD

ESTIMATED DK SIBHP = 350± PSIG

ESTIMATED MV SIBHP = 165± PSIG

ESTIMATED DK SIBHT = 210± °F

ESTIMATED MV SIBHT = 165± °F

OBJECTIVE: Remove failed packer and commingle MV and DK

- 1) MIRU, kill, ND tree, & NU BOP's.
- 2) POOH with tubing on both strings.
- 3) Mill out packer.
- 4) Clean out fill to PBTD @ 8086' MD.
- 5) RIH with 2-3/8 and hang-off commingled string @ ~8040' MD.
- 6) ND BOP's & NU tree.
- 7) Test well to make certain tubing is not plugged.
- 8) Release rig.
- 9) Return to production.

PRIOR TO PRIMARY JOB

- 1) Test rig anchors.
- 2) Verify location is OK for rig operations.
- 3) Ensure JSA, ECP's and lockout procedures are in place for the flowline and other energized piping or equipment.
- 4) Acquire 8100' of 2-3/8" N-80 or stronger work string.
- 5) Acquire ~8040' of 2-3/8", eue, 8rd, 6.5 #/ft J-55 tubing.
- 6) Locate and have on 1-1/4" IJ slip grip elevators.
- 7) Acquire wellhead and convert from dual tubing string to a single, 2-3/8" tubing string.
- 8) Acquire 2-3/8", I.D. Type X or XN type nipple.
- 9) **KCL** on location to treat kill water as needed.

SAFETY NOTICE

PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!
PLEASE FOLLOW APPROPRIATE WILLIAMS CONTRACTOR
PROTOCOLS FOR THIS JOB PLAN

Please see your Williams Business Representative if you have any questions; Contractor protocols can be located in the Williams E&P Contractor Guide

COMMUNICATION REPAIR & COMMINGLING PROCEDURE

ROSA #32B DK AND MV

PRIMARY JOB

Note: Safety meetings shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent (i.e. beginning/ending fishing operations, squeeze jobs, rigging down, perforating, etc.) Please ensure these are documented per section 2.2.7 of the Williams E&P Contractor Guide

1. MI and spot equipment to include fluid pumps and tanks.
2. MIRU.
3. ND/NU killing well with KCL water as necessary

4. Test the BOP's to 2500 psig minimum. If they fail, then rebuild and retest. If they cannot pass tests DO NOT PROCEED and notify Production Engineer.
5. Pick up on DK long string to determine if the long string will pull.
6. If long string will POOH from step #5 above, then POOH with MV short string and proceed to step # 7. If the long string will not POOH, proceed with sub-steps 6.1 through 6.3 below:
 - 6.1. POOH with short string one or two joints to confirm ability to move.
 - 6.2. Pick up additional joints of 1-1/2" pipe and wash to top of packer at 6100' using heavy air mist. Wash as necessary until returns clean up to approximately ¼ cup of sand in 5 gallons of water returns.
 - 6.3. After returns clean up, POOH with pipe laying down string.
7. Spear or screw in and POOH with 1-1/2" 2.9 #/ft DK (long string) string using straight pull to pull out of Baker Model D packer seal assembly up to 40,000 #'s.
8. POOH with lay down tubing 1-1/2" 2.9# J-55 and seal assembly.
9. NU additional pipe ram for work string or replace pipe ram with annular preventer.
10. Pick up work string.
11. Pick up Baker Model D packer miller & pulling tool, using DC's and assembly as necessary and RIH on work string to mill over Baker Model D packer @ 6100' MD and RIH on work string. If work string not inspected prior to work do not exceed 70% of joint strength of the work string pipe when pulling.
12. Miller and attempt to pluck Baker Model D packer at 6100' MD. If using 4.7 #/ft work string, weight of dry string above packer is 28.7k #s. If using 6.5 #/ft work string, dry string weight will be 39.7k #s. When attempting to pull packer and tail pipe determine work string weight and do not pull more than 70% of joint strength.
13. POOH with packer and lay down work string, tools and packer.
14. RIH workstring.
15. Clean out to 8086' PBTD, TOOH w/ work string.
16. RIH with mule shoe, 2.3" minimum ID X nipple, TBG hang off EOT at ~8040'
17. N/D BOP's and N/U wellhead.
18. Return well to production.
19. R/D, move off location.
20. Notify pumper on route to place well on test.



Exploration & Production

Production Allocation Recommendation
ROSA UNIT #85
BLANCO MV/BASIN DK

WELLNAME: Rosa Unit #85

LOCATION: SW NE NE Section 20, T31N, R5W

API No.: 30-039-22778

FIELD:

San Juan

COUNTY:

Rio Arriba

Date:

May 21, 2009

Current Status: The Rosa #85 is currently a dual completion well producing from the Dakota and Mesaverde formations. The packer unit at 6100' has failed. Packer repair would be mandatory. The Production Optimization and Enhancement Team recommends commingling this well instead.

Commingle Procedure:

- Mesa Verde tubing will be pulled
- Dakota tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBTD
- A single string of 2-3/8" tubing will be run to ~8076'
- One set of wellhead facilities will be removed
- Well will be produced as a MV/DK commingle

Allocation Method: Historic production data from both zones on this well was gathered and analyzed. Monthly production data from January 2005 through January 2006 was considered as this represented a time when both zones appear to be free from loading problems and each zone was producing optimally. During this time the Mesa Verde contributed approximately 30% of the total production of the well, while the Dakota accounted for the remaining 70% during the same time span.

From January 2005 to January 2006

Total Production from well = 39230 Mcf

Total Production from MV = 11977 Mcf

Total Production from DK = 27253 Mcf

MV allocation = MV production / Total production = 11977 Mcf / 39230 Mcf = 30%

DK allocation = DK production / Total production = 27253 Mcf / 39230 Mcf = 70%

Lease Name: ROSA UNIT
County, State: RIO ARBA, NM
Operator: WILLIAMS PRODUCTION COMPANY
Field: BLANCO
Reservoir: MESAVERDE
Location: 20 31N 5W SW NE NE

ANNUAL PRODUCTION

IN 2005

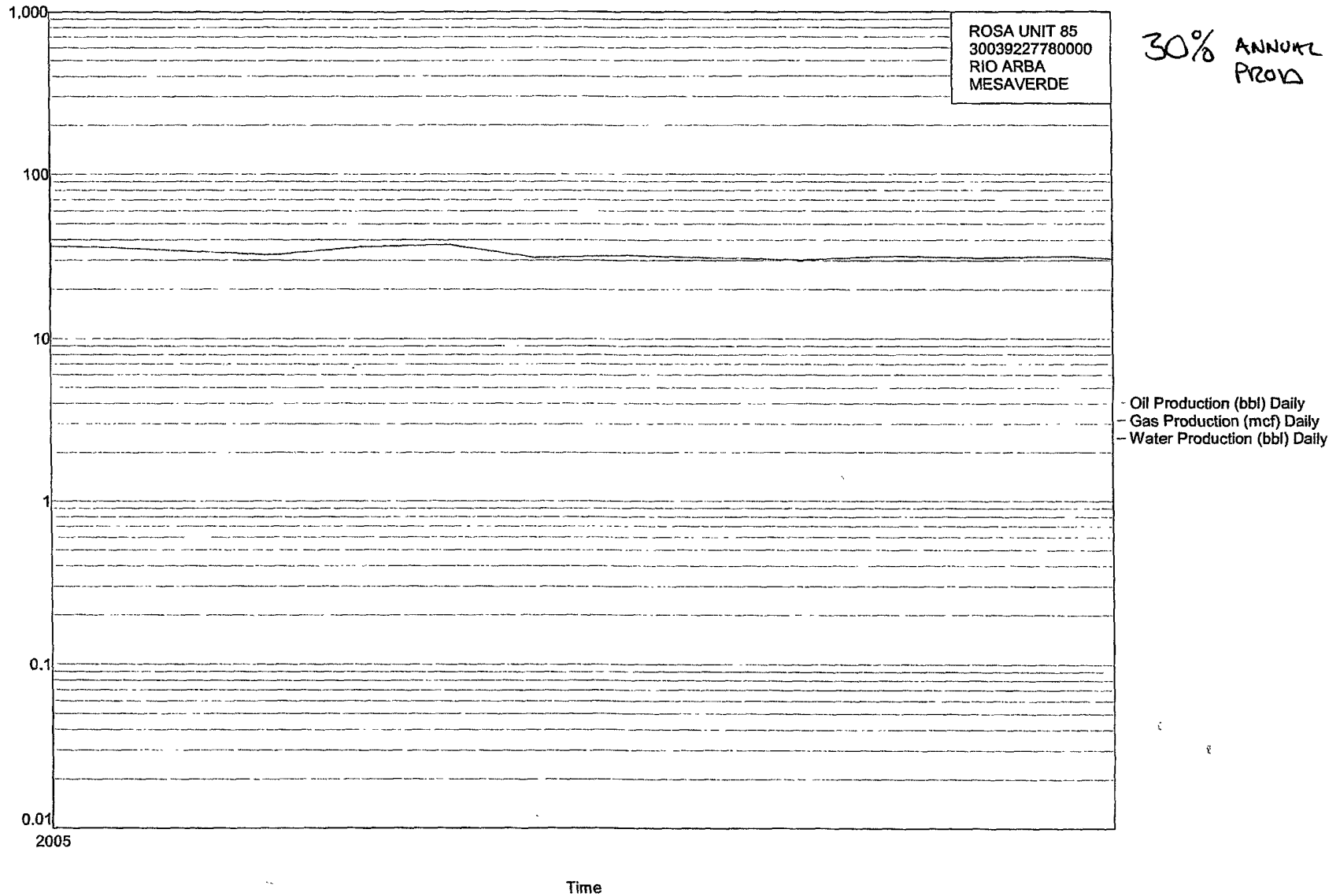
11977 MCF

TOTAL PRODUCTION

2005 = 39230

ROSA UNIT - BLANCO

Production Rates



Lease Name: ROSA UNIT
County, State: RIO ARBA, NM
Operator: WILLIAMS PRODUCTION COMPANY
Field: BASIN
Reservoir: DAKOTA
Location: 20 31N 5W SW NE NE

ANNUAL PRODUCTION

IN 2005

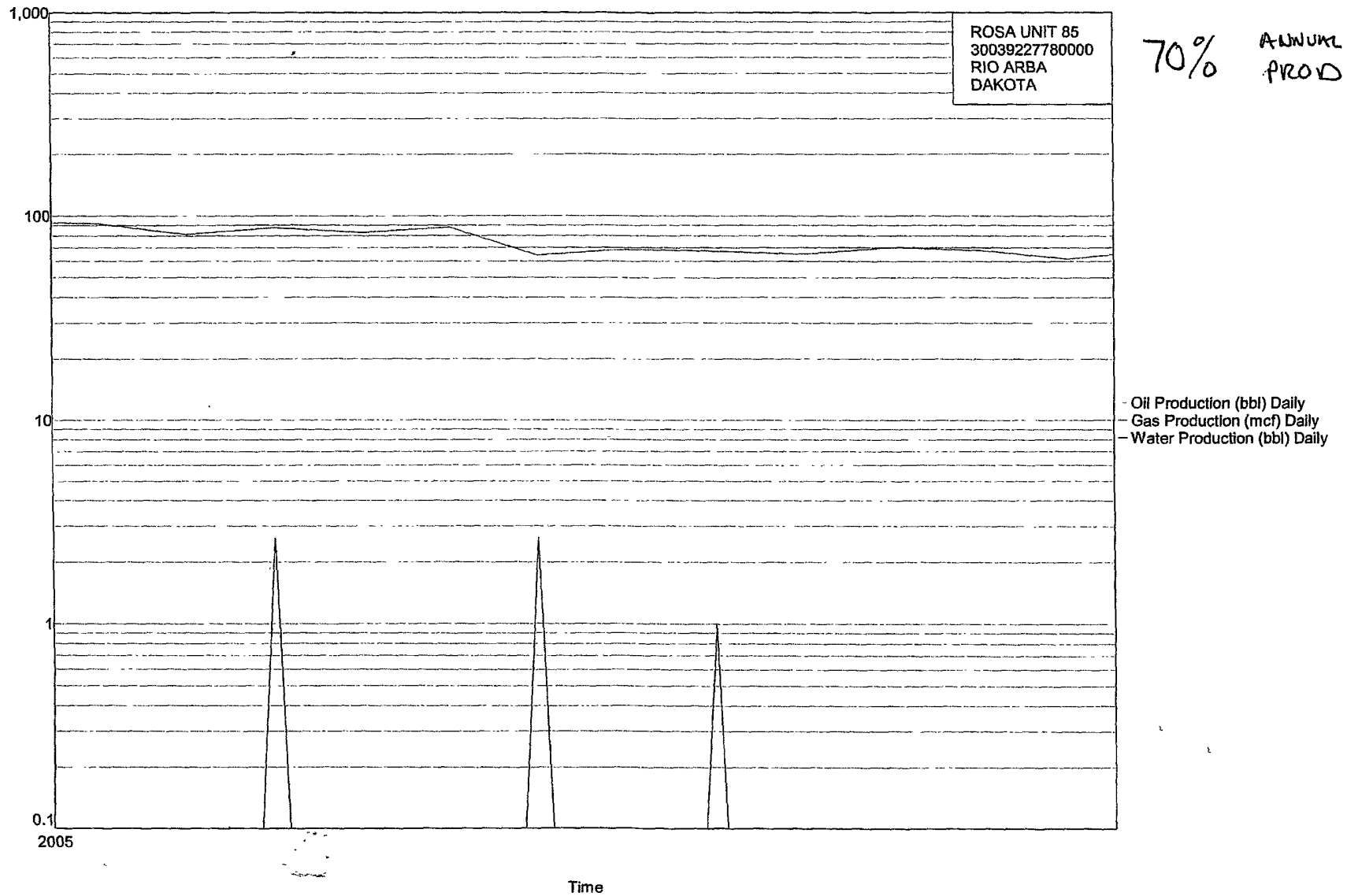
27253 MCF

TOTAL PROD IN 2005

= 39230

ROSA UNIT - BASIN

Production Rates



ROSA UNIT #85 BLANCO MV/BASIN DK

Location:

800' FNL and 990' FEL
SW/ NE/NE Sec 20, T31N R05W
Rio Arriba, New Mexico

Elevation: 6441' GR
API #: 30-039-22778
KB = 12'

Spud date: 7-2-1981

Completed: 11-30-1981

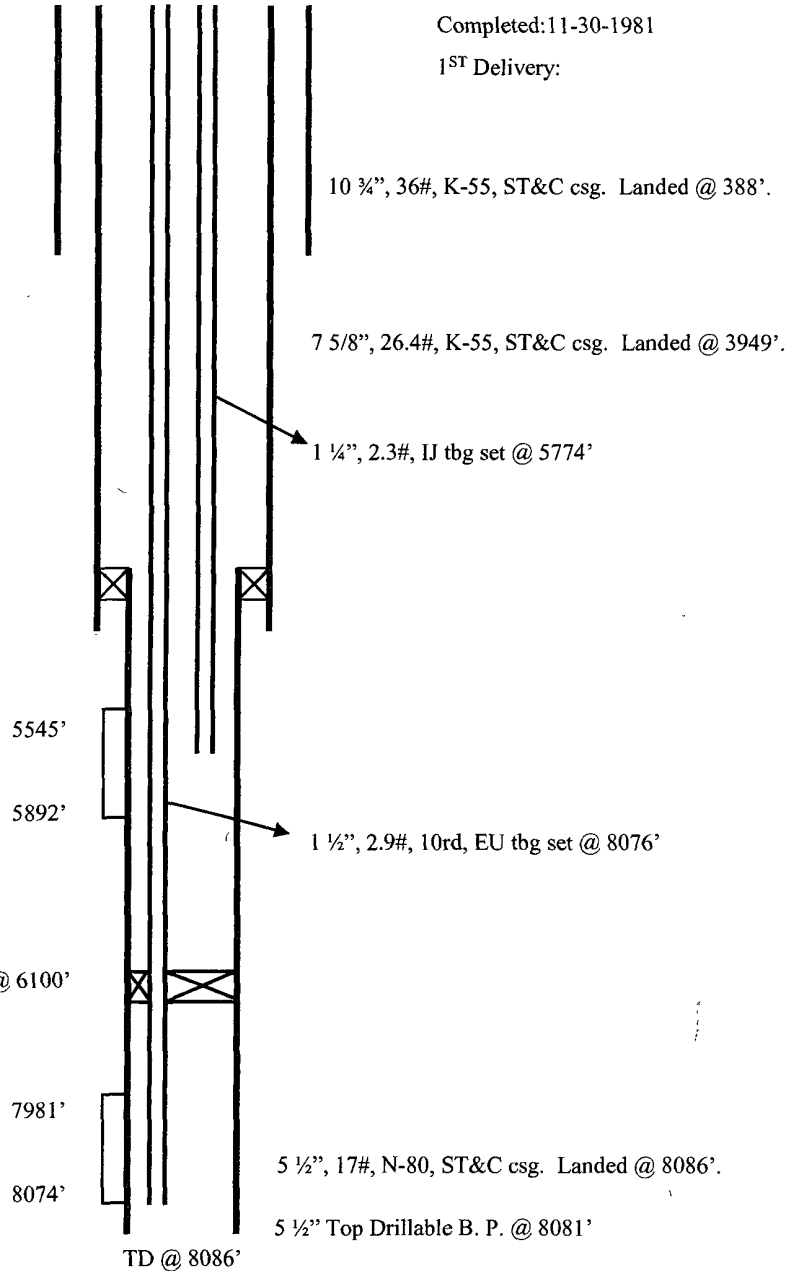
1ST Delivery:

Top _____ Depth

Point Lookout 5545'

Dakota 7981'

Baker Model "D" Packer set @ 6100'



Hole Size	Casing	Cement	Volume	Top of CMT
12-1/4"	10-3/4", 36#	230 sx		surface
9-7/8"	7-5/8", 26.4#	160 sx		2641
6-1/4"	5-1/2", 117#	190 sx		3300