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

Form C-103 Revised 1-1-89

OIL CONSERVATION DIVISION

2040 South Pachecor Santa Fe, NM 87505 30-045-31762

DISTRICT II

811 South First, Artesia NM 88210

Indicate Type of Lease

STATE

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

6. State Oil & Gas Lease No. E-504

SUNDRY NOTICES AND REPORTS ON WELLS (COUNTY OF THE PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS

Lease Name or Unit Agreement Name:

ROSA UNIT

1. Type of Well:

Oil Well

Gas Well

Other

8. Well No.

WELL API NO.

2. Name of Operator

WILLIAMS PRODUCTION COMPANY

339A

Address of Operator

9. Pool name or Wildcat

P O BOX 3102, MS 25-1, TULSA, OK 74101

BASIN FRUITLAND COAL

4. Well Location (Surface)

Unit letter I: 1365 feet from the SOUTH line & 1050 feet from the EAST line Sec 32-32N-06W SAN JUAN, NM

10. Elevation (Show whether DF, RKB, RT, GR, etc.

6368' GR

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

WORK

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

TEMPORARILY ABANDON
PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER:

OTHER: DRILLING/COMPLETION OPERATIONS

ONS X

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103.

10-06-2003 MIRU, drill RH & MH. Spud well @ 0300 hrs, 10/6/03. Drill 12 1/4" hole from 0' to 156'.

10-07-2003 Drill 12 ¼" hole from 156' to 310'. TD surface hole @ 0900 hrs. Circulate & condition @ 310',drop totco & TOOH. RU csg crew & run 6 jts, 9-5/8", 36#, K-55 csg to 298'. RU BJS, run 10 bbls FW pre-flush. Cmt w/ 190 sxs (48 bbls) Type III cmt w/ 2% CaCl & 0.25 pps Cello-flake mixed @ 14.5 ppg, 1.41 yd. Displace w/ 20 bbls FW to 260'. Late pump pressure 85 psi. Circulate 20 bbls cmt to surface, RD BJS, WOC. NU BOPE & choke manifold. Test BOPE & surface csg to 1500 psi for 30 min, all held OK. TIH, tag cmt @ 247'. Drill cmt & float equipment. Drill 8 ¾" hole from 310' to 646'.

10-08-2003 Drill 8 34" hole from 646' to 1750'. SD to care for injured employee & investigate.

Continued on back

I hereby certify that the information above is true and com	plete to the best of my knowledge and belief.
SIGNATURE Tracy Ross	TITLE: Production Analyst DATE: January 16, 2004
Type or print name TRACY ROSS	Telephone No: (918) 573-6254
APPROVED BY Conditions of approval, if any:	DEPUTY OIL & GAS INSPECTOR, DIST. #8DATEDATE

- 10-09-2003 Shut down for safety stand down while evaluate rig & make repairs.
- 10-10-2003 Shut down for safety stand down while evaluate rig & make repairs.
- 10-11-2003 Drill 8-3/4" hole from 1750' to 2320'. Hole tight & sloughing, mud up to clean up hole.
- 10-12-2003 Drill from 2320' to 2707', 2 seats washed out on pump #2 discharge. Drill w/ one pump for 4 hrs. Down for rig service. Drill 8-3/4" hole from 2707' to 2686'.
- 10-13-2003 Drill 8 ¾" hole from 2686' to 2983', cut TD short per John Bircher. Circulate bottoms up. Short trip to BHA, SLM, no correction to depth. 10' fill back on bottom. Circulate & condition mud. POOH, LD 20 6 ¼" DC's. Change rams, RU csg crew. Run 64 jts 7", 20#, J-55 ST&C csg to 2978', float collar @ 2931', circulate. Land mandrel, RU BJ Services. Cmt csg as follow: pump 10 bbls FW spacer ahead. Lead 400 sxs (144 bbls) Prem Lite FM w/ .25% Celloflake & 8% Bentonite @ 12.1 ppg, 2.08 yd. Tail: 50 sxs (13 bbls) Type III w/ .25% Cello flake @ 14.5 PPG, 1.4 YD. Displaced w/ 119 bbls FW. Late pump pressure 930 psi. Bumped plug @ 21:20 hrs w/ 1440 psi. Circulate 25 bbls cmt to surface. Check float, held. RD cementers. ND BOP & NUWH, NU BOP, flow line & choke manifold. Change rams, pressure test BOP's, hammer up bolts to re-test.
- <u>10-14-2003</u> Pressure test BOP. X-O kellys. PU BHA, TIH, break circulation, test rams, TIH. Drill cmt & float equipment. Drill 6 ¼" hole from 2983' to 3138', circulate, TOOH. PU under reamer, TIH. Under ream from 2988' to 3120'.
- 10-15-2003 Under ream from 3120' to 2135'. POOH, LD DP & DC's. ND BOP, NU tree, set doughnut & 2-7/8" BPV. Clean pits, begin RD, release rig @ 1600 hrs, 10/14/03.
- 11-21-2003 MIRU, spot equipment. SICP = 380 psi, blow well down, NDWH, NUBOP's & HCR's. Tally in w/ 6 1/4" bit, BS, eight 4 3/4" DC's & 92 jts 2-7/8" AOH DP, tag 18' of fill @ 3120, PU bit to 3015'. RU power swivel, unload well w/ air only, turn over to night crew. Surge well from 3015' (3 times) w/ 8 bph a/s mist @ 700 psi, ret's It coal & It wtr, flow natural 1 hr each surge.
- 11-22-2003 Surge well from 3015' (2 times) w/8 bph a/s mist @ 700 psi, ret's lt coal & lt wtr, flow natural 1 hr each surge. SI for natural build up. Natural surge, 4 hr SI = 160 psi, ret's lt. Tag 63' of fill @ 3069', break circ w/10 bph a/s mist. CO to TD @ 3132'. Blow well from 3132' w/10 bph a/s mist, run four 6 bbl sweeps, ret's lt. Blow well w/air only. PU bit to 3015', turn over to night crew. Surge well w/ 8bph a/s mist @ 1000 psi, rets lt coal & wtr, flow nat for 1 1/2 hr. Surge well w/ 8bph a/s mist @ 900 psi, rets lt coal & wtr, flow natural for 1 hr. Pressure well w/ 8 bph a/s mist @ 650 psi, SI for 1/2 hr, surge well, rets lt coal & wtr, flow nat for 1 1/2 hr. SI well for natural build up, accumulator was not working properly.
- 11-23-2003 SI well for natural build up, accumulator was not working properly. Natural surge, 9 1/2 hrs SI = 300 psi, rets light coal & wtr, nat flow for 2 hrs while electrician works on accumulator & crew thaws out lines. Surge well w/ air only @ 700 psi, rets light coal & wtr, flow natural for 1 1/2 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets light coal & wtr, flow natural for 1 1/2 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets med coal & light wtr, flow natural for 1 hr, turn over to night crew. Surge well w/ air only @ 700 psi, rets med coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets med coal & wtr, flow natural for 1 hr. Surge well w/ air only @ 800 psi, rets light coal & wtr, flow natural for 1 hr. Surge well 2 times w/ 8 bph a/s mist 1st @ 800 psi, 2nd @ 700 psi, rets light coal & wtr both times flow for 1 hr each.
- 11-24-2003 Flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, ret's lt coal & wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 200 psi, rets lt coal & wtr, nat flow for 1 hr while rig crew thawed out pump & lines, pump froze while drilling. PU 2 jts of 2-7/8" DP, tag fill @ 3058'. Break circ w/ 10 bph a/s mist, CO 80' of fill from 3058' to 3132', ret's 1/8" to 1" coal. Run five 5 bbl sweeps, ret's med coal ½" to 1" in size. Blow well w/ air only, lt coal & wtr. TOOH w/ bit, lock same in top rams. Gauge well on 2" line, to light to read, drain up pump & lines, turn over to night crew. Surge well w/ 8 bph a/s mist @ 800 psi, rets lt coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 850 psi, rets lt coal & wtr, flow natural for 30 min.
- 11-25-2003 Flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, ret's lt coal & wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 250 psi, rets no coal or wtr. Hang back power swivel, TIH w/ bit, tag fill @ 3047'. RU power swivel, break circ w/ 10 bph a/s mist. PU 2-7/8" DP, CO 50' of solid fill from 3047' to 3132', ret's 1/8" to 1" coal. Run five 5 bbl sweeps, ret's fine to 1" coal. LD 3 jts of 2-7/8" DP, set bit # 3040'. Surge well from 3040' with a/s mist @ 800 psi, ret's lt coal & wtr, flow natural for 1 hr, drain up pump & lines, turn over to night crew. Surge well with 8 bbls a/s mist @ 700 psi, ret's lt coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist & one 5 bbl pad @ 850 psi, rets med coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets lt coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets lt coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets lt coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 800 psi, rets lt coal & wtr, flow natural for 1.5 hrs.

11-26-2003 Surge well w/ 8 bph a/s mist & one 5 bbl pads @ 750 psi, rets med coal & wtr, flow natural for 1.5 hr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt coal & wtr. PU 2-7/8" DP, tag fill @ 3070'. Break circ w/ 10 bph a/s mist, CO 60' of solid fill from 3070' to 3132', ret's fine to 1 ½" coal in size. Run four 5 bbl sweeps, ret's fine coal mostly, ran steady through three sweeps. Blow well dry. TOOH w/ bit, lock same in top rams, shut blind rams on lower BOP's, SI csg valves, drain pump, pit & air package.

12-01-2003 Natural surge, 4 day SI = 300 psi, rets lt. Surge from surface 3 times w/ 10 bph a/s mist @ 800 psi, ret's lt coal & lt wtr, flow natural 1 hr each surge. Break over w/ air only @ 820 psi, ret's lt, flow natural 45 min. Natural surge, 3 hr SI = 240 psi w/ lt ret's, flow natural 1 hr. Surge from surface 3 times w/ 12 bph a/s mist, ret's lt coal, flow natural 1 hr each surge.

12-02-2003 Surge from surface w/ 12 bph a/s mist @ 700 psi, ret's lt-med coal, flow natural 2 hrs. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets med coal & wtr, flow natural 1.5 hrs, Travel to location. Surge w/ 8 bph a/s mist @ 1100 psi, ret's med coal & wtr, flow natural 1 hr. Surge w/ 5 bbls ahead, pres to 900 psi & let soak, ret's hvy coal, flow nat 1.5 hrs. Surge w/ air only, pres to 900 psi & let sit, ret's med coal, flow nat 1 hr, flow partially bridged off. Pump 5 bbls & 1 gal soap ahead, pres to 500 psi & SI.

12-03-2003 Surge from surface @ 500 psi, ret's lt coal & hvy wtr. Flow natural. SI for natural build up. Natural surge from surface, 4 hr SI = 280 psi, rets lt coal & med wtr. Surge from surface energized w/ three 5 bbl pads @ 1000 psi, ret's lt coal & med wtr, hang swivel back. TIH & tag 113' of fill @ 3019'. RU power swivel, break circ w/ 10 bph a/s mist. CO from 3019' to 3132' (TD), run two 6 bbl sweeps & cut mist. LD 6 jts, hang swivel back. TOOH w/ bit, lock same in top rams. Break over w/ air only @ 680 psi, ret's lt coal, flow natural 1 hr. Natural surge from surface, 3 hr SI = 270 psi, ret's lt, flow natural 1 hr. SI for natural.

 $\underline{12-04-2003}$ Natural surge from surface, 3 hr SI = 280 psi, ret's lt coal & lt wtr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt coal & lt wtr. Surge from surface energized (2 times) w/ two 5 bbl pads @ 950 psi, ret's med fine to $\frac{1}{2}$ size coal, flow natural 1.5 hrs each surge. Natural surge, 3 hr SI = 220 psi, ret's trace coal & lt wtr, flow natural 1 hr. Surge from surface w/ 10 bph a/s mist (3 times) @ 1100 psi, ret's lt-med coal & lt wtr, flow natural each surge.

 $\underline{12-05-2003}$ Natural surge from surface, 3 hr SI = 280 psi, ret's lt coal & lt wtr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt coal & lt wtr. Surge from surface energized (2 times) w/ two 5 bbl pads @ 950 psi, ret's med fine to $\frac{1}{2}$ size coal, flow natural 1.5 hrs each surge. Natural surge, 3 hr SI = 220 psi, ret's trace coal & lt wtr, flow natural 1 hr. Surge from surface w/ 10 bph a/s mist (3 times) @ 1100 psi, ret's lt-med coal & lt wtr, flow natural each surge.

<u>12-06-2003</u> Natural surge from surface, 3 hr SI = 280 psi, ret's lt coal & lt wtr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt coal & lt wtr. Surge from surface energized (2 times) w/ two 5 bbl pads @ 950 psi, ret's med fine to '/2' size coal, flow natural 1.5 hrs each surge. Natural surge, 3 hr SI = 220 psi, ret's trace coal & lt wtr, flow natural 1 hr. Surge from surface w/ 10 bph a/s mist (3 times) @ 1100 psi, ret's lt-med coal & lt wtr, flow natural each surge.

12-08-2003 Natural surge, 4 hr SI = 280 psi, rets med coal & lt wtr, flow natural 1.5 hrs. Surge from surface w/ 10 bph a/s mist @ 750 psi ret's lt coal & med wtr, flow natural. Surge energized w/ three 5 bbl pads @ 1200 psi, ret's med coal & hvy wtr, flow natural 45 min. Surge energized w/ three 5 bbl pads @ 1300 psi, ret's med coal & hvy wtr, flow natural 1 hr, turn over to night crew. Surge from surface energized (2 times) w/ two 5 bbl pads & 8 bph a/s mist, 1st surge @ 1350 psi, ret's med coal, 2nd @ 1100 psi, ret's hvy coal & hvy wtr, flow natural 1 hr each. Natural surge, 3 hr SI = 250 psi, ret's lt coal. SI for natural build up.

12-09-2003 Natural surge 3 hr SI = 280 psi, ret's med coal & lt wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 300 psi, rets lt coal & wtr. Hang power swivel back. TlH w/ bit, tag fill @ 3067'. RU power swivel, break circ w/ 10 bph a/s mist. CO 65' of fill from 3067' to 3132', work out tight spots @ 3100' to 3112'. Run four 5 bbl soap sweeps, running coal for approx 15 min per sweep on first three sweeps, cleaned up on fourth, LD 2 jts, set bit @ 3068'. Flow natural, well bringing fluid on it's own. Surge well from 3068' w/ 8 bph a/s mist @ 600 psi, ret's hvy coal & wtr, flow natural 1 ½ hrs. Surge well w/ 10 bph a/s mist & one energized pad @ 650 psi, ret's hvy coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 600 psi, ret's hvy coal & med wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 600 psi, ret's med coal & wtr, flow natural for 1 hr.

12-10-2003 Surge well w/ 8 bph a/s mist @ 650 psi, ret's med coal & wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 300 psi, rets lt coal & wtr, flow natural for 30 min. Try an air only break over, broke @ 650 psi, ret's lt coal & wtr, flow natural build up while roustabout crew reinforced burn pit berm w/ concrete slabs, 2 hr SI = 250 psi, ret's lt coal & wtr, flow natural for 1 hr. Surge well from 3068' w/ two 5 bbl pads & 8 bph a/s mist @ 650 psi, ret's med coal & lt wtr, follow w/ air for 30 min, flow natural for 30 min, turn over to night crew. Pressure well down the backside q/ 10 bph a/s mist @ 950 psi, ret's hvy coal & wtr, flow w/ air down the DP, well bridged off, circ lt coal & wtr for 30 min. Pressure down backside @ 1000 psi, switch over to DP & pressure to 700 psi, SI to equalize psi, surged like this twice, bridge came loose on second surge, ret's hvy coal & wtr, flow natural for 1 hr. Circ well w/ air only to circ wtr out, we pumped to break loose, flow natural for 1 hr.

12-11-2003 Surge well w/ 10 bph a/s mist @ 550 psi, ret's med coal & wtr, flow natural for 1.5 hrs. SI for natural build up. Natural surge, 4 hr SI = 300 psi, rets lt coal & wtr, flow natural for 45 min. PU 2 jts 2-7/8" DP, tag fill @ 3102'. Break circ w/ 10 bph a/s mist, CO 30' of fill, work on tight spot @ 3112'. Blow well dry. LD 7 jts of 2-7/8" DP, hang power swivel back. TOOH w/ bit, lock same in top rams. Surge from surface w/ three 5 bbl energized pads & 8 bpm a/s mist @ 1000, ret's med coal & med wtr, flow natural for 1 hr. Surge well w/ 10 bph a/s mist @ 650 psi, ret's med coal & wtr, flow natural for 1 hr. Surge well w/ 10 bph a/s mist @ 600 psi, ret's med coal & lt wtr, flow natural for 1 hr. Pressure well w/ 12 bph a/s mist @ 650 psi, SI for 1 hr, surge well, rets hvy coal & lt wtr, flow natural for 1 hr.

12-12-2003 Surge well w/ 10 bph a/s mist @ 700 psi, ret's med coal & wtr, flow natural for 2 hrs. SI for natural build up. Travel to location, hold safety meeting. Natural surge, 4 hr SI = 300 psi, rets It coal & wtr, flow natural for 45 min. Hang power swivel back. TIH w/ bit, tag fill @ 3019', RU power swivel. Break circ w/ 10 bph a/s mist, CO 113' of solid fill from 3019' to 3132', work on tight spot @ 3112', run four 5 bbl sweeps, rets run coal for ten mins on first sweep, 2nd & 3rd med coal, 4th sweep was clean. Blow well dry, LD 2 jts DP, raise string 20', set bit @ 3052', SWI for weekend.

12-15-2003 Natural surge, SI over weekend = 270 psi, rets light coal heavy wtr, follow with air for 30 min, flow natural for 1 hr. Surge well f/ 3052' w/ two energized pads & 8 bph a/s mist @ 850 psi, rets heavy coal & no wtr, well bridged off, work pipe & follow w/ 8 bph a/s mist, well ran heavy coal for approximately 15 min, light wtr @ the end. Break circ w/ 10 bph a/s mist, tag coal immediately, CO 20' of fill, tried to make connection but coal ran for approximately 30 min, run two 5 bbl sweeps, circ hole till rets slowed down. PU 2 jts of DP, CO 60' of fill to 3132', run two 5 bbl sweeps. Blow well dry, heavy black wtr. LD 4 jts 2 7/8" DP, set bit @ 3000', turn over to night crew. Flow natural. Natural surge, 2hr SI = 270 psi, rets light coal & wtr, flow natural for 1 hr. Natural surge, 2 hr SI = 280 psi, rets med coal & light wtr, flow natural for 1 hr.

12-16-2003 Natural surge, 2 hr SI = 280 psi, rets coal dust & light wtr, flow natural for 1 1/2 hr. SI for natural build up. Natural surge, 4 hr SI = 270 psi, rets coal dust & lt wtr. Flow natural, mist pump keeps freezing while circ, thaw out rig pit valves. PU two jts 2 7/8" DP, tag fill @ 3070'. Break circ w/ 10 bph a/s mist, CO 65' of solid fill f/ 3067' to 3132', work on tight spot @ 3112', run three 5 bbl sweeps. Shut down mist pump, blow well dry, rets heavy black wtr & trace coal. Hang back power swivel, LD 7 jts 2 7/8" DP. TOOH w/ bit, lock same in top rams, shut blind rams. Surge well f/ surface w/ one energized pad & 8 bph a/s mist @ 850 psi, rets heavy coal & wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 550 psi, rets med coal & heavy wtr, flow natural for 1 hr. Surge well w/ 8 bph a/s mist @ 600 psi, rets med coal & heavy wtr, flow natural for 1 hr.

12-17-2003 Surge well w/ 8 bph a/s mist @ 900 psi, rets med coal & wtr, flow natural for 1 ½ hr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, lt coal & no wtr, flow natural for 1 hr while rig crew thaw valves. Hang power swivel back. TIH w/ bit, tag fill @ 3020', RU power swivel. Break circulation w/ 10 bph a/s mist, lost circ, DP was hung up, pressured well to 750 psi & had rets @ surface, trace coal & light wtr, pressured back side to 750 psi, then pressured DP to 600 psi could then rotate pipe, used this procedure between each connection, pulled up to 3060' & became free, pulled two more jts & set bit @ 3000', ran two five bbl sweeps, rets light coal & med wtr. Circ well w/ 8bph a/s mist, rig crew drained lines, turn over to night crew. Surge well from 3000' w/ 10 bph a/s mist @ 1000 psi, rets med coal & wtr, follow w/ air for 1 hr, well making heavy black wtr, flow natural for 1 hr. Surge well w/ 10 bph a/s mist. @ 900 psi, rets heavy coal & wtr, follow w/ air for 1 hr, flow natural for 1 hr. Surge well w/ 10 bph a/s mist.

12-18-2003 Surge well w/ 10 bph a/s mist @ 900 psi, rets med coal & wtr, follow w/ air for 1 hr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt coal & wtr. PU 1 jt 2-7/8" DP, tag tight spot @ 3050'. Break circulation w/ 10 bph a/s mist, drill out tight spot, rets light shale while circulating, run 5 bbl soap sweep every hr, rets med to hvy, 90% shale, 1/8" to ½" in size. PU 1 jt, tag tight spot @ 3072' drill on approx 8' tight spot, rets lt coal while circulating, run 5 bbl soap sweeps every 45 min, rets hvy, 80% coal ½" to 1" in size. LD 2 jts 2-7/8" DP, set bit @ 3000', drain up pump & lines, turn over to night crew. Flow natural for 30 min. Natural surge, 2 hr SI = 240 psi, rets med coal & hvy wtr, flow natural for 1 hr. Natural surge, 2 hr SI = 250 psi, rets lt coal & wtr, flow natural for 1 hr.

<u>12-19-2003</u>

Recap: Natural surge, 2 hr SI = 280 psi, rets med coal & wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 290 psi, rets med coal & lt wtr. PU 2 jts 2-7/8" DP, tag tight spot @ 3072'. Break circulation w/ 10 bph a/s mist, drill on tight spot, rets 70% shale, 30% coal, run soap sweeps every 45 min, rets, running hvy shale, approx 20 min per sweep, drill free to 3082'. PU 1 jt DP, drill down to 3112', 30' dragging 400# to 8000# on weight indicator, torque on power swivel 1500#, rets hvy shale, ream between 3082' & 3112', have hole free to 3108', run 5 bbl sweep every hr, rets hvy shale. LD 3 jts DP, set bit @ 3000', drain up pump & lines, turn over to night crew. Flow natural for 1 hr. Natural surge, 2 hr SI = 250 psi, rets med coal & wtr.

12-20-2003 Natural surge, 2 hr SI = 280 psi, rets hvy coal & med wtr, flow natural for 1 hr. SI for natural build up. Natural surge, 4 hr SI = 280 psi, rets lt. Tag/CO bridges @ 3022' & 3032' w/ 14 bph a/s mist. CO & work on ratty open hole from 3032' – 3020', not working any hole. Blow dry w/ air only. Hang swivel back. TOOH w/ bit, break out same. Replace radiator hose on rig. PU Baker 6 ¼" x 9 ½" PDC bit down under reamer, TIH to 2920'. RU 3.5 power swivel, drain pump & lines, SION.

<u>12-21-2003</u> SICP=280 psi, blow well down, warm up equipment. TIH & tag bridge @ 3012', break circ w/ 16 bph a/s mist. Under ream & re-under ream ratty open hole from 3012' - 3080', ret's extra hvy 80% shale, bad ledge @ 3068', run two 6 bbl sweeps. LD 6 jts, close arms & PU UP inside csg to 2920'. Drain pump & lines, SION.

<u>12-22-2003</u> SICP=280 psi, blow well down, warm up equipment. Tag bridge @ 3052', break circ w/ 18 bph a/s mist, open arms on under reamer. Under ream & re-under ream open hole form 3052' to 3117' & stop making hole, ret's extra hvy 80% shale, run four 6 bbl sweeps. LD 6 jts, PU under reamer to 2920', SION.

12-23-2003 SICP=250 psi, blow well down, warm up equipment. Tag/stack out on bridge @ 3079', break circ & open arms w/ 18 bph a/s mist. Under ream & re-under ream ratty open hole form 3079' to 3117', run two 6 bbls sweeps. Blow well w/ air only. LD 6 jts, RD 3.5 power swivel. TOOH, LD DC's, break & load out tools. RU casing crew. MU setting tool, tally PU & MU 6 jts 5 1/2" 17# N-80 csg. RD csg crew. TIH w/5 1/2" liner to 3084' & stack out. RU power swivel, break circ w/10 bph a/s mist. Wash liner down to 3109' & stick solid, J-off setting clr, TOL @ 2839' w/144' of overlap, pump two 6 bbl sweeps. LD 5 jts, drain pumps & lines, SI & SWFWE.

12-29-2003 SICP 290 psi, blow well down. Rig would not start, run two sets of booster cables, heat oil pan, start rig, work on frozen air lines, temperature in Ignacio approximately 7 degrees below 0. RD power swivel, RU power tongs. TOOH, LD 77 jts 2 7/8" DP, break down liner setting tool, SI BOP's. ND stripper head, NU lube head, RU Black Warrior to perforate. Perforate 5 1/2" liner w/ 3 1/8" HSC guns, 49" dia, 12" pen & 12 gram charges @ 2989' - 2991' (8 shots), 3000'-3010' (40 shots), 3034' - 3060' (104 shots), 3065' - 3080' (60 shots), 3095' - 3108' (52 shots), made three runs, 264 total shots, all shots fired, RD Black Warrior. ND lube head, NU stripper head, prepare to run production string in the A.M., SI well for night.

12-30-2003 SICP 270 psi, blow well down. Tally, PU & TIH w/ 95 jts of 2 7/8" tubing, tag bottom. Rig up power swivel & pump out plug w/ air only @ 700 psi, unload well, circ well & tag bottom, run bucket test, well making 4.6 bph wtr, LD 1 jt 2 7/8" tbg, RD power swivel. Land tbg @ 3100' kb as follows, ½" mule shoe, 1 jt 2 7/8" tbg, 2.25" SN, 92 jts 2 7/8" tbg, one 6' sub, 1 jt 2 7/8" tbg (94 jts & 1 sub total), SN @ 3066'. ND BOP stack & blooie lines, NUWH & pres test 3000 psi & held. Prepare rig to RD, RD equipment, rel Rosa 339A to production department, release rig.