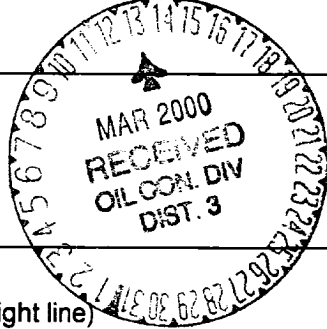


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ROW/APD

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial No. SF-078764
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Well <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name
2. Name of Operator Williams Exploration & Production Co		7. If Unit or CA, Agreement Designation Rosa Unit
3. Address and Telephone No. P.O. Box 3102, MS 37-2, Tulsa, OK. 74101		8. Well Name and No. RU# 166
4. Location of Well (Footages) At Surface 1165' FNL 995' FEL (NENE)		9. API Well No. 30-039-26275
At proposed prod. zone Same		10. Field and Pool, or Explatory Area Blanco - MV
14. Distance in Miles and Directions from Nearest Town or Post Office 19.7 miles NE Navajo Dam Post Office (straight line)		11. Sec., T., R., M., or BLK. and Survey or Area Section 30, T31N, R5W
15. Distance from Proposed Location to Nearest Property or Lease Line, Ft 995'		12. County or Parish Rio Arriba
16. No. of Acres in Lease 2507.3		13. State NM
17. No. of Acres Assigned to This Well 232.69 acres		
18. Distance from Proposed Location to Nearest Well Drilling, Completed, or Applied for, on this Lease, FT 500'		20. Rotary or Cable Tools Rotary
21. Elevations (Show whether DF, RT, GR, etc) 6360' GR		22. Approximate Date Work will Start April 1, 2000



PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE & GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	250'	130 sx-176 cu ft Type III
8-3/4"	7"	20#	3712'	415 sx-869 cu ft Lite 65/35
6-1/4"	4-1/2"	10.5#	3612' - 6137'	70 sx-150-cuft 110 sx-240cuft

Williams Exploration & Production proposes to drill a vertical well to develop the Mesa Verde Formation at the above described location, in accordance with the attached Operation and Surface Use plans. The location has been surveyed for Cultural Resources by Moore Anthropological Research. Copies have been submitted to your office for review.

This APD also is serving as an application to obtain BLM road and pipeline rights-of-way. This well will be accessed by the existing Rosa Unit Well # 223 access road (see plat #4). The proposed 327' pipeline would tie into the Williams Exploration & Production Gathering System (see the attached Plat Map # 3).

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

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal to deepen, give present productive zone and proposed new productive zone.

COPIES: BLM+4, WELL FILE+1

24. I hereby certify that the foregoing is true and correct
Signed Steve Nelson

Steve Nelson Title Agent

Date December 14, 1999

(This space for Federal or State office use)

Permit No. _____

Approval Date MAR 6 2000

Application approval does not warrant or certify that 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:

APPROVED BY chse 6/4/00

TITLE Team Lead, Federal Management DATE MAR 6 2000
NMOC Acting

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

Dist. II
PO Box 100, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

NOV 15 AM 9:02 AMENDED REPORT

Dist. III
1000 Brazos Rd., Aztec, NM 87410

070 TITLINGTON, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26295		*Pool Code	*Pool Name
*Property Code 17033	*Property Name ROSA UNIT		*Well Number 166
*M&O No. 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 6360

10 Surface Location

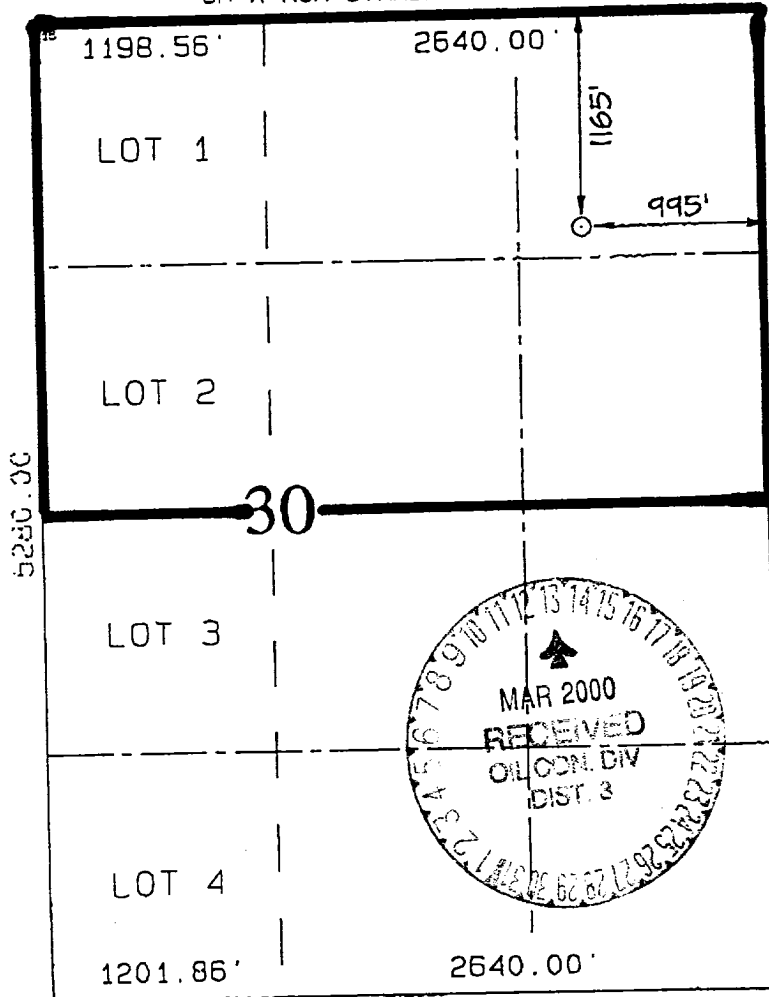
Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
30	31N	5W		1165	NORTH	995	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County

*Production Acres 232.69	*Joint or Infill	*Consolidation Code	*Order 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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Steve Nelson
Signature

Steve Nelson
Printed Name

Agent, Nelson Consulting, Inc
Title

December 15, 1999
Date

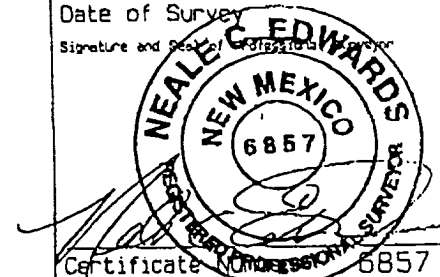
18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

OCTOBER 2, 1999

Date of Survey

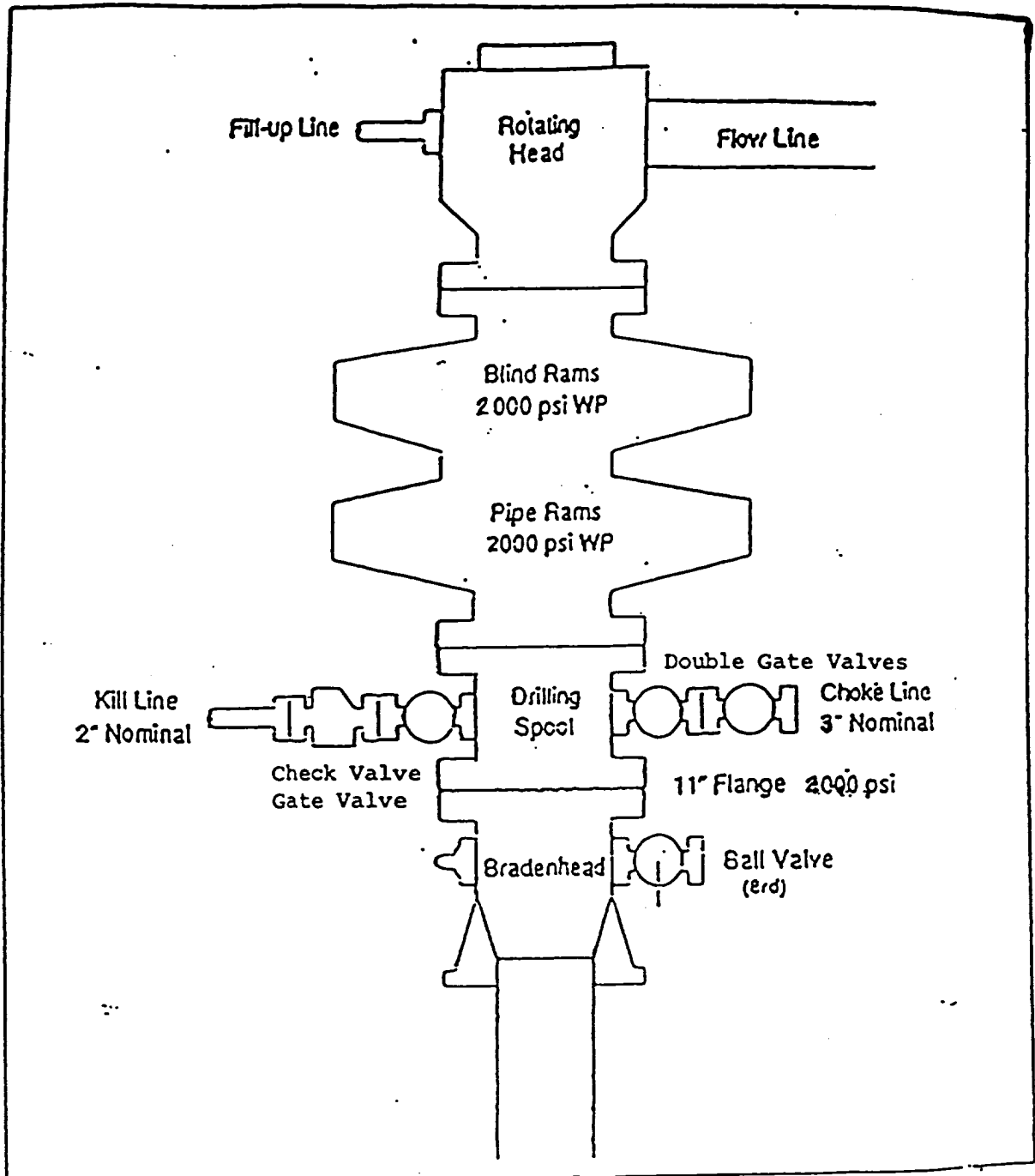
Signature and Seal of Registered Professional Surveyor



Certificate No. 6857

EXHIBIT 1

BOP STACK ARRANGEMENT



All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1500 psi. The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock with handle, floor safety valve with change overs for each tool joint in the string, and choke manifold all rated to 2000 psi.

