Form C-103

Revised 1-1-89

OIL CONSERVATION DIVISION

1000 BRAZOS RD.

AZTEC, NM 87410 Submit 3 copies to Appropriate District Office 30-045-29594 WELL API NO. DISTRICT 1 P O Box 1980, Hobbs, NM 88240 DISTRICT 2 P O Drawer DD, Arrtesia, NM 88210 5. Indicate Type of Lease STATE ■ FEE □ 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO ROSA UNIT DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS) I type of well OIL WELL Z GAS WELL . CTHER O 8. Well No. 2. Name of Operator WILLIAMS PRODUCTION COMPANY 9. Pool Name or Wildcat 3 Address of Operator BLANCO MV 72319 POBOX 3102, TULSA, OK 74101 4 Well Location Unit Letter A : 1135 Feet From The NORTH Line and 1075 Feet From The EAST Line SAN JUAN COUNTY NMPM Section 32 Township 32N Range 6W 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6577' GR CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA SUBSEQUENT REPORT OF NOTICE OF INTENTION TO: ALTERING CASING PLUG AND ABANDON PERFORM REMEDIAL WORK PLUG AND ABANDONMENT 00 COMMENCE DRILLING OPENIONS CHANGE PLANS CASING TEST AND CEMENT JOB \Box oner Drilling Operations × OTHER PULL OR ALTER CASING 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 10-19-1998 Spud surface hole @ 1530 hrs 10-18-1998. TD'd surface hole with bit #1 @ 268'. Circulate and TOH. Ran 6 jts (249.43') of 9-5/8", 36#, K-55, ST&C casing. Set @ 263' KB. BJ cemented with 150 sx (180 cu.ft.) of class "H" with 3% CaCl2 and 1/4# cello-flake/sk. Displaced plug with 17 BBIs of water. Plug down @ 0030 hrs 10-19-1998. Circulated out 10 BBIs of cement. WOC. NU BOP's. Deviations: 3/4° @ 118', 3/4° @ 245'. 10-20-1998 NU BOP and pressure test to 1500# - held OK. Drill 40' of cement and shoe. Continued drilling new formation. 10-21-1998 Trip for bit #2 (8-3/4", HTC, 09C) at 2122'. Lost 3 cones. Wait on magnet and fish cones. TIH and continued drilling with bit #3 (8-3/4", HTC, 09C). Deviations: 1/2° @ 739', 3/4° @ 1236', 1° @ 1735', 1° @ 2080'. 10-22-1998 TD well with bit #3 (8-3/4", HTC, 09C) at 3130'. LDDP. Deviations: 1-3/4° @ 2579', 1-1/2° @ 3077'. 10-23-1998 LDDP and DC's. Change out rams & RU casing crew. Ran 70jts. (3135.92') of 7", 20#, K-55, ST&C casing and landed at 3130' KB. Float at 3090'. Rig upBJ and cement with 385 sx (750 cu.ft.) of Cl "H" 65/35 poz with 10% gel, 2% CaCl and 1/4# celloflake/sk. Tailed with 100 sx (145 cu.ft.) of Cl "H" 50/50 poz with 4% gel, 1/4# cellotlake/sk, 0.4% FL-52, and 2% CaCl. Displaced plug with 124bbls of water. Plug down at 1200 hrs 10/22/98. Circulated out Obbls of cement. ND BOP. Set slips w/ $\pm 60,000$ and cut off casing. Rig released at 1800 hrs. 10/22/98. FINAL REPORT. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Zicque / MITTLE CLERK DATE November 19, 1998 TELEPHONE NO. 918/561-6254 ORIGINAL SIGNED BY CHARLIE T. PERRIN TITL DEPUTY OIL & GAS INSPECTOR, DIST. #3 (This space for State Use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

* RePort Cement ToPs