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To Appropriate  
District Office  
**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
811 South First, Artesia NM 88210

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

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

WELL API NO.  30-039-27597
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-3095
7. Lease Name or Unit Agreement Name:  ROSA UNIT
8. Well No.  26C
9. Pool name or Wildcat  BLANCO MV/BASIN DK

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator  WILLIAMS PRODUCTION COMPANY	
3. Address of Operator  P O BOX 3102, MS 25-2, TULSA, OK 74101	
4. Well Location (Surface) Unit letter <u>I</u> : 2605 feet from the <u>SOUTH</u> line & 120 feet from the <u>EAST</u> line Sec 32-31N-05W RIO ARRIBA, NM	
10. Elevation (Show whether DF, RKB, RT, GR, etc. 6571' GR	

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS. <b>X</b>	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
OTHER:		OTHER:	

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.

07-03-2004 MIRU, mix spud mud. Drlg rat & mouse hole. Spud 14 3/4" surface hole. Drlg 14 3/4" surface fr/ 0' to 60'. LD MM & PU reamer & 8 DC's. Drlg 14 3/4" surface hole fr/ 60' to 310'. Circulate & cond hole, drop survey & TOOH to run csg. RU csg crew, run 7 jts, 10 3/4", 40.5#, J-55, ST&C csg, landed @ 305'. Set csg w/landing jt, 15' below KB. RU cementers & circulate csg, hold safety meeting. Cmt surface csg w/10 bbls FW flush, 325 sxs (452 cu/ft) Type III cmt w/ 2% CACL & 1/4 #/sx Cello Flake, mixed @ 14.5 ppg, displaced w/ 26.5 bbls FW. Plug down @ 0530 hrs. Circulated 35 bbls cmt to surface. Shut in w/ psi. RD cementers. WOC.

Continued on Back

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

SIGNATURE Tracy Ross TITLE: SR. Production Analyst DATE: August 26, 2004

Type or print name TRACY ROSS Telephone No: (918) 573-6254

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #1 DATE AUG 30 2004

Conditions of approval, if any:

07-04-2004 WOC, NU BOPE. Pressure test blind rams, choke manifold, kill valves, upper kelly valve, all tests ok. PU 9 7/8" bit, shock sub & TIH w/ 2 8" DC's & 2 6" DC's. Pressure test pipe rams & csg., all tests ok. TIH w/ remaining 6" DC's, tag cmt @ 270'. Drlg plug & cmt fr/ 270' to 310'. Drlg 9 7/8" hole fr/ 310' to 804'.

07-05-2004 Drlg 9 7/8" hole from 804' to 2160'.

07-06-2004 Drlg 9 7/8" hole from 2160' to 3044'.

07-07-2004 Drlg 9 7/8" hole fr/3044' to 3103'. Circulate & survey @ 3063' - 1 1/4 degree. Drlg 9 7/8" hole fr/ 3103' to 3920' - TD. Circulate & condition hole & mud for logs.

07-08-2004 Circulate & condition hole & mud for logs. Short trip 10 stds dp, no fill. TOO H to log, strap out. Found tally off 1 jt. Tally total 3892'. Log well, TIH, break circulation, wash & ream 20' to bottom. Drlg 9 7/8" hole fr/ 3892' to 3920'. Circulate & cond hole for csg. TOO H, LD DP & DC's, RU casing crew.

07-09-2004 RU csg crew, change rams. Run 7 5/8" cement nose guide shoe, 91 jts 7 5/8" 26.4# J-55 LT&C casing w/ insert float in top of first jt. Tag fill @ 3870'. Wash csg fr/ 3870' to 3920' & circulate casing @ td. Land csg on mandrel. Shoe @ 3914.88', PBTD @ 3868.50'. Turbolizers @ 3830', 3739', 3649', 3566', 3482'. Centralizers @ 1515', 1389', 1258', 1122', 998', 868', 739', 604', 476', 353', 225'. RU cementers, hold PJSM. Cement w/ 20 bbls water flush, 285 bbl (775 sx - 1600 cu/ft) Premium Lt cmt w/ 6% bentonite, & 1/4#/sx cello flake, mixed @ 12.1 ppg, 24 bbl (100 sx - 134.7 cu/ft) Type III cmt w/ 1% CaCl & 1/4#/sx cello flake. Displaced w/ 182 bbl water. Bumped plug w/ 1500 psi. BICARBONATE: Float did not hold. Shut in w/ 540 psi. Rig down cementers. Circulated 30 bbl cmt to surface. W.O.C. Back off & lay down landing jt. Change rams. Pressure test Bop (pipe & blind rams), choke manifold, casing, & floor valves. 250 psi low, 1500 psi high. 30 min each test. All tests ok. Pick up kelly, bit sub & hammer drill. Test run hammer drill. Prep (tally & caliper) 10 dc & prep (tally) 3 1/2" dp. Pick up air hammer, bit sub, 10 4 3/4" dc, & dp. TIH w/ same to 1597'.

07-10-2004 PU air hammer, bit sub, 10 4 3/4" dc, & dp. TIH w/ same to 3855'. Stage in unload hole @ 1600'. Pick up kelly & unload hole w/ air. Drlg plug & cement fr/ 3855' to 3920'. Dry up hole w/ air. Drlg 6 3/4" hole fr/ 3920' to 5039' w/ air hammer.

07-11-2004 Drlg 6 3/4" hole w/ hammer drill fr/ 5039' to 7319'.

07-12-2004 Drlg 6 3/4" hole fr/ 7319' to 8191'. Dust slowed down. Circulate hole clean. Trip for string float. Run wire line survey, survey tool went to 7800'. Survey tool got stuck in pipe @ 7800'. TOO H to retrieve survey tool. Pulled 35 stds, survey tool dropped. Down hole fire burned off last jt DP. Left hammer bit, bit sub, 10 dc & 10' of DP in hole. Also left survey tool & 5500' slickline wire in hole.

07-13-2004 MU spear & jars & TIH w/ BHA. TIH w/ 3 1/2" dp to 3900'. Mix mud & load hole w/ mud - 40 viscosity, 10% LCM. Install blank in blooie line. Pull stripping rubber, install flow nipple. TIH w/ spear, Tag @ 5600'. Break circulation & work pipe. Attempt to catch wire. TOO H w/ spear.

07-14-2004 TOO H w/ spear, LD spear, jars & wire. Retrieved appx 4000' to 5000' wire. Service rig & equipment. Pick up bit & TIH. Tag @ 6219'. Break circulation, bit plugged. TOO H to unplug bit. Lay down 68 jts drill pipe to clear out stands in derrick. Clean out bit sub, lay down 1 dc. plugged w/ lcm. Trip in hole w/ bit, break circulation @ dc & @ 3000'.

07-15-2004 TIH w/ bit to 6010', break circulation @ dc & @ 3000'. Wash & ream fr/ 6010' to 6100'. Lost circulation. Washed through bridge appx. 6090' to 6100'. TOO H 7 stds, tight fr/ 6100' to 5800'. Build volume & mix mud - 40 vis & 20% lcm. Lost 400 bbl total. Circulate hole & condition mud. TIH 7 stds. Wash & ream fr/ 6054' to 6848'. Well lightly kicking periodically. Losing mud to reserve pit. Build volume & circulate hole. Wash & ream fr/ 6848' to 7442'. Well still lightly kicking periodically. Service rig. Wash & ream fr/ 7442' to 7723'. Well kicked, shut in & circulate on choke. Slow circulate on choke, mix mud to kill well. Returning gas cut mud through choke. Raise viscosity to 50, raise mud wt. to 8.5 ppg. Well not kicking while circulating through choke. Continue to raise wt to 8.8 ppg.

07-16-2004 Wash & ream fr/ 7723' to 7770'. Tagging fish. Circulate & condition hole for kick off plug. Trip out of hole. Service rig & equipment. Pick up 20 jts drill pipe & TIH to 7750' - open ended - to set kickoff plug. PJSM, RU cementers, pump 150 sx (157.5 cu/ft) class H cement w/ 1% CaCl & 2% CD-32, displace w/ 52.4 bbl mud. Rig down cementers. TOO H w/ dp. Circulate gas bubble out of drill pipe, lightly kicking out of DP. TOO H, stand back 104 std DP, lay down 41 jts DP. Wait on cement.

07-17-2004 WOC. Change out wireline. Make up bit, 1.5% bent housing motor & directional tools & TIH to 3900'. Test run survey tools & break circulation @ 680'. Circulate & condition mud. TIH, tag cement @ 7195'. Circulate & condition mud. Drilling cement f/ 7195' to 7297'.

07-18-2004 Time drill from 7297' to 7301' – 5 min per inch/ 1' per hour. Lost returns. TOOH 10 stds. Build volume & mix mud, 45 vis & 10 LCM. Regain circulation. Lost appx 150 bbl mud. TIH 10 stds. Time drill from 7301' to 7314' – 1' per hour. Returning 90% cement, 10% shale.

07-19-2004 Time drill from 7314' to 7337' – 1' per hour. Returning 80% cement, 20% shale.

07-20-2004 Time drill from 7337' to 7354' – 1' per hour. Returning 95% cement, 5% shale. Rotate from 7354' to 7390'. Time drill from 7337' to 7354' – 1' per hour. Returning 80% cement, 10% shale, 10% siltstone.

07-21-2004 Time drill from 7395' to 7398' – 1' FPH. Returning 80% cement, 10% shale, 10% siltstone. TOH for bit #6. Reset motor. P/U bit #6. Reset motor to 1.8 deg, orientate, test. TIH w/ bit #6. Time drill from 7398' to 7409' – 1' FHP. Returning 60% cement, 30% shale, 10% siltstone.

07-22-2004 Time drill f/ 7409' to 7421'. Returns: 30% cement, 60% shale, 10% siltstone. Slide drill f/ 7409' to 7421'. Returns: 20% cement, 70% shale, 10% siltstone. Gas-17 BG. 28 Conn. Rig down logging unit @ 18:15.

07-23-2004 Dir. drill f/ 7441' to 7703'. Circulate & condition mud.

07-24-2004 Circ & cond mud. Time drill f/ 7703' to 7707'. Dir drill f/ 7707' to 7760'. Circ & cond. TOH to set kickoff plug. Cut drilling line. TOH. L/D monel DC, motor, bit. Rig service. P/U 3 ½" DP. Open ended. TIH to set kickoff plug @ 7742'. Circ & R/U cementers.

07-25-2004 Pump cement plug as follows: 10 bbls H2O, 175 sxs (31.7 bbls, 178.5 cu.ft.), class H cement w/ 1% CACL, 2% CD-32, 3# bbl cse. WT – 17 PPG. YLD – 1.02. Displace w/ 60.6 bbl H2O & mud. Final press – 470#. Finish displacement @ 06:32 hrs. R/D cementers. WOC, TOH. P/U bit #7. TIH to 3850'. Circ & cond mud to dress off plug. WOC.

07-26-2004 WOC, TIH, tag cmt @ 7205'. Break circulation. Drilling cmt plug f/ 7205' to 7360'. Circulate & cond. TOH for motor, monel DC. P/U bit #8, motor, monel. Orientate dir. tools. Jet & clean pits. TIH. Break circ. wash to bottom. Time drill f/ 7360' to 7386' to sidetrack.

07-27-2004 Time drill from 7386' to 7416'.

07-28-2004 Time drill from 7416' to 7450'.

07-29-2004 Time drill from 7442' to 7465' to sidetrack. TOOH to set kickoff plug. L/D monel, motor & bit #8. TIH w/ 3 ½" DP – open ended. P/U 3 ½" DP to set kickoff plug @ 7465'. Circulate & RU cementers. Pump cement plug as follows: 10 bbls H2O, 440 sxs (80 bbls, 449 cu.ft.) class H cement w/ 1% CACL, 2% CD-32, 3# bbl CSE. WT – 17 ppg. YLD – 1.02. Displace w/ 35 bbls H2O & mud. Final pressure 700#. Finish displacement @ 01:14 hrs. RD cementers. TOOH, attempt to break circulation 35 stds out. TOOH, LD 85 jts, 3 ½" DP full of cmt. WOC.

07-30-2004 LD 3 ½" DP full of cmt. P/U bit #9. TIH slick to 3903', WOC, TIH to 5461'. P/U 3 ½" DP. Tag cement @ 6157', circulate & condition. Drilling cement from 6157' to 6340'.

07-31-2004 Circulate & condition. TOH for motor, adjust depth to 6370'. PU bit #10, motor, monel, orientate directional tools, TIH. Circulate & condition. Time drill from 6370' to 6381'.

08-01-2004 Time drill from 6381' to 6404' to sidetrack.

08-02-2004 Drilling from 6404' to 6462', circulate & condition, TOOH to redial motor to 1.5 deg.

08-03-2004 TOOH to reset motor to 1.5 deg, PU bit #11, orientate directional tools. TIH, drill rotate f/ 6462' to 6466', lost circulation, lost 750 bbls mud. TOOH 10 stds, mix mud build volume. TOOH to int. csg shoe, build volume, mix mud & LCM. Regain circulation, circulate, build volume & condition mud. TIH 15 stds, circulate & condition. Wash to bottom. Circulate & condition, set toolface @ 290 AZM. Slide drill from 6466' to 6474'.

08-04-2004 Slide drill from 6474' to 6498'. TOOH to retrieve survey tool. Reset motor to 1.8 deg, orient. directional tools, TIH, check DC id's. Break circulation every 30 stds. Circulate & condition, rotary drill from 6498' to 6598'. Circulate & condition.

08-05-2004 Rotary drill from 6598' to 6844'. Circulate & condition.

08-06-2004 Rotary drill from 6848' to 7260'.

08-07-2004 Rotary drill from 7260' to 7411'. Circulate & condition. TOH for bit #12 & new motor. LD motor, PU motor & bit #12. TIH, break circulation, wash to bottom.

08-08-2004 Rotary drill from 7411' to 7731'. Circ & condition.

08-09-2004 Rotary drill from 7731' to 7940'. Circ & condition.

08-10-2004 Rotary drill from 7940' to 7964'. Circ & condition, TOO to LD motor & monel, PU bit #13. Break & LD motor & monel DC. PU bit #13, TIH w/DC, cut drilling line, TIH.

08-11-2004 Drill 6 3/4" hole from 7994' to 8076'.

08-12-2004 Drill 6 3/4" hole from 8076' to 8158'.

08-13-2004 Drill 6 3/4" hole from 8158' to 8176'. TD of 6 3/4" hole section, sweep & circulate hole clean, pump slug. Whipper trip - 20 stands: 8175' - 6900' - 8175'. POH to log, RU loggers, log w/Halliburton.

08-14-2004 Log w/Halliburton, RD loggers, RIH to 8114', circ & cond mud to 9.0 ppg/80 sec vis, wash & ream 62' to bottom @ 8176', circ hole clean. Pump slug, drop TOTCO, POH laying down to run 5 1/2" csg, recover TOTCO survey f/ 8176' = 3/4". Change to 5 1/2" pipe rams, clear floor to run csg, RU casers, run 5 1/2" csg.

08-15-2004 Run 5 1/2" csg to 3903' - 7 5/8" csg shoe @ 3914', 3903' = 90 jts 5 1/2" csg. Attempt to break circ, pits are full of solids - not enough actual volume in pits to fill csg, clean pits & refill from "in field water trucks". Attempt to break circ, mud in hole has dehydrated to 100+ vis, unable to break circ. POH & lay out 10 jts of 5 1/2" csg. Attempt to break circ - unable to circ. Casing crew quit - lay out 20 jts 5 1/2" csg w/ rig crew. Attempt to circ - unable to circ, hole is taking fluid, hole lost 200 bbls. Lay out 28 jts 5 1/2" csg, leave 2 jts in hole, hole taken total of 400 bbls. Build mud volume & circ across top of hole to keep full, mix to 15% LCM.

08-16-2004 Build mud volume to 45 vis - 8.6 WT - 20% LCM, circ across top of hole while well is losing fluid down hole, LCM fluid loss down hole @ 200 bbls, build volume to compensate losses. Mud level stopped dropping & stabilized w/ the LCM lost down hole while circulating across the top of the well. Stop circulating across the top of the well & observe well for fluid loss - well static. PU 6 3/4" bit, 6 x drill collars, 3 1/2" drill pipe & stage in 10 jts at a time, break circ @ every 10 jts run in hole. Circ & cond poor mud returns from hole. Continue to stage into hole w/drill string, continue to break circ every 10 jts. 06:00 staged in depth = 3300'.

08-17-2004 Continue to stage into hole with drill string to 5900'. Continue to break circ every 10 jts, hole is stable - no losses/no gains, mud returns thinning to 34 vis. Continue to stage in hole w/ drill string from 5900' to 8176'. Break circulation every 10 jts. Returning mud w/ very thick & thin spots - 33 vis to 120 vis. Circulate & condition hole & mud for casing.

08-18-2004 Circulate & condition hole & mud for casing @ TD. Viscosity - 45, weight - 8.6 ppg, LCM % - 18. Pump weighted slug & TOO - lay down drill pipe & drill collars. RU csg crew, change rams, run 5 1/2" 17# N-80 LT&C csg to 5460', circulate csg every 500', lost 200 bbls mud @ 5460'. Build volume & mix mud.

08-19-2004 Build volume & mix mud. Running 5 1/2" csg. Circulate every 500'. Csg configuration - Weatherford cmt nose guide shoe, 22' shoe joint, Weatherford float collar, 9 jts 5 1/2" csg, 22' marker joint, 61 jts 5 1/2" csg, 22' marker joint, 113 jts 5 1/2" csg. Total 183 jts csg, 2 marker joints. Csg set @ 8190', float collar @ 8165', Marker joints @ 7728' - 7751' & 5028' - 5050'. All csg jts are 5 1/2" 17# N-80 LT&C. Turbolizing centralizers @ 8166', 8121' & 8077'. Centralizers @ 7943', 7818', 7708', 7575', 7443', 7309', 7177', 7043', 6905', 6773', 6642', 6509', 6381', 6252', 6116', 5983', 5854', 5725', 5590', 5453', 5320', 5186', 5050', 4937', 4800', 4668', 4532', 4401', 4268', 4097', 4005', 3872'. Total 3 turbolizing centralizers & 32 centralizers. All setting depths are w/14' RKB. RD csg crew, RU cementers. Circulate csg @ TD. Cmt 5 1/2" csg w/ 30 bbls gel water spacer, 50 sxs (105 cu.ft.) scavenger cement, premium light HS w/1% FL-52, .2% CD-32, .1% CSE, 1/4#/sx cello flake & 4% Phenoseal mixed @ 11.6 ppg. Cmt - 410 sxs (574 cu.ft.) Premium Light HS w/ 1% FL-52, .2% CD-32, 1% R-3, 3#/sx CSE, 1/4#/sx Cello flake, 4% Phenoseal, mixed @ 12.3 ppg. Displaced w/ 190 bbl fresh water. Final circulating pres 1300 psi bumped plug w/ 1800 psi, float did not hold. Shut in w/ 1300 psi. RD cementers. Appx 70% circulation during cmt job. Circulation dropped to appx 1/16 bpm for final 20 bbls displacement. Didn't circulate cmt to surface. WOC, ND BOPE, set csg slips w/ 60k, cut off casing. Release rig @ 0830 hrs 08/19/2004.