

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 19 2011

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

Farmington Field Office
Bureau of Land Management

5. Lease Serial No.
NMNM 23044

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Schalk 32 #1A

9. API Well No.
30-039-30915

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

11 Country or Parish, State
Rio Arriba

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

Williams Production Company, LLC

3a. Address

PO Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

505-634-4208

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1965' FNL & 660' FWL, section 32, T31N, R4W

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>FINAL CASING/LINER</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

4/27/11 – PU, set whip stock and cut window from 3451'-3459'

4/28/11 – Drill curve 3465'-3561'

4/29/11 – Found that whipstock was not oriented correctly. Set CIBP @ 3470'. Set plug in 6 25" OH F/ 3561' T/ 3459'. RU Howco, test lines @ 2500# [OK] 20 bbl fw ahead, single slurry; premium cmt [yld=1.15 wt=15.5ppg] displace drill pipe w/ 25 bbl fw.; [30 SX 34 CU FT, 6.2 BBLS PUMPED] [PIPE PULLED DRY]; PULL 3 5" DP SLOWLY UP TO 3420' & CIRC OUT THE LONG WAY

4/30/11 – RU Basin wire line, set RBP @ 3375', Run baler in hole w/ 8-gal frac; sand & dump sand on top of RBP. Set whip stock and cut window 3353'-3361'

5/1/11 thru 5/5/11 – Drill curve 3361'-4240'

5/6/11 – Got too deep into coal and decision was made to plug back. Called Steven Mason, BLM, @ 1:07pm, 5/6/11. Charlie Perrin, NMOCD also approved @ 1:20pm, 5/6/11. Verbal approval to set Cmt plug in 6.25" OH F/ 3750'-3400'. RU BJ Services.; Press test lines 1200#, pump 20 Bbl FW Spacer, 61sx type 3 neat (14 4Bbl, 81cuft) 14 8ppg, Yield=1.33cfs, 6.33wgps, displace W/ 29 Bbl FW. Final Press 120#, bal. plug; TOH 10 stds slow, circ bottoms up, approx 1/2 bbl cmt to pit.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Larry Higgins

Title Permit Supervisor

Signature

Larry Higgins

Date 05/19/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any representation or statement to the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

JUN 09 2011

NMOCD *W*

FARMINGTON FIELD OFFICE
BY *SLV*

RCVD JUN 15 11
OIL CONVS. DIV.

5/7/11 - Tag cmt @ 3495' MD, soft cmt to 3535', hard cmt F/ 3535' T. 3541 Circ hole clean. ; TOH to PU Direc Tools. ; PU & Orientate Direc Tools , TIH, SLM ; Through F/ 3528' T/3548'.

5/8/11 thru 5/10/11 - Drill curve 3549'-4015'

5/11/11 thru 5/13/11 - Drill lateral 4015'-5825'

5/14/11- TD 6 1/4" HOLE @ 6260' MD.

5/15/11- RAN 67 JTS, 4 5", 11.6#, N-80, pre perforated & 1 Jt 4 5", 11 6#, N-80 unperforated, LT&C, 8rd, CSG, total of 68 joints Liner set @ 6260', TOL @ 3366'

5/16/11 - DO CIBP @ 3470' Set 7" CIBP @ 3770' & dump 10' bail cement on top of plug. Install and test wellhead to 1500 psi. Test ok.

DRILLING RIG RELEASED AT 0600 HRS, 5/17/11