

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION TO DRILL" for permit for such proposals.

5. Lease Designation and Serial No.
NM-03190
6. If Indian, Allottee or Tribe Name

RECEIVED

670 FARVINGTON

SUBMIT IN TRIPLICATE

1. Type of Well
Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
WILLIAMS PRODUCTION COMPANY

3. Address and Telephone No.
PO Box 640 Aztec, NM 87410-0640

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1140 FSNL & 1560 FWL (sur), 660 FNL & 1950 FWL (bhl), Sec 17, T32N, R11W

7. If Unit or CA, Agreement Designation
Cox Canyon

8. Well Name and No.
Cox Canyon #007B

9. API Well No.
30-045-33022

10. Field and Pool, or Exploratory Area
BLANCO MV/BASIN DK

11. County or Parish, State
San Juan, New Mexico

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☒ Subsequent Report
Final Abandonment

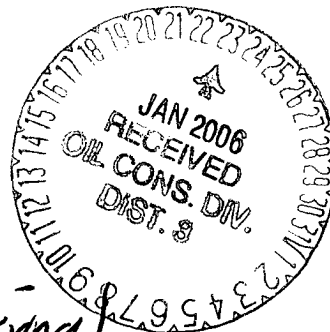
TYPE OF ACTION

Abandonment
Recompletion
Plugging Back
Casing Repair
Altering Casing
☒ Other Multiple zone completion

Change of Plans
New Construction
Non-Routine Fracturing
Water Shut-Off
Conversion to Injection
Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Williams Production Company, LLC. hereby requests authority to drill this as a Mesa Verde/Dakota dual as per attached directional and operations plan.



HOLD C104 FOR Directional Survey

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

Signed Larry Higgins Title Drilling C.O.M. Date January 9, 2006

(This space for Federal or State office use)

Approved by [Signature] Title Ret. Eng Date 1/17/06

Conditions of approval, if any:

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

NMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

2006 JAN 11 AM 8 ☒ AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code	*Property Name COX CANYON UNIT	*Well Number 7B
*OGRID No. 120782	*Operator Name WILLIAMS PRODUCTION COMPANY	*Elevation 6659'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	17	32N	11W		1140	NORTH	1560	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	17	32N	11W		660	NORTH	1950	WEST	SAN JUAN

¹² Dedicated Acres 320.0 Acres - (E/2 W/2 & W/2 E/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NWU#162
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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

<div><p>¹⁶</p><p>5138.76'</p><p>1950'</p><p>1560'</p><p>1140'</p><p>660'</p><p>660'</p><p>270'</p><p>BOTTOM-HOLE LOCATION</p><p>N38°04.2'E 602.1'</p><p>SURFACE LOCATION</p><p>LEASE NM-03190</p><p>17</p><p>5120.94'</p><p>5208.72'</p><p>5307.72'</p></div>	<div><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p><i>Larry Higgins</i></p><p>Signature</p><p>LARRY HIGGINS</p><p>Printed Name</p><p>DRILLING COM</p><p>Title</p><p>1-9-06</p><p>Date</p></div> <div><p>¹⁸ SURVEYOR CERTIFICATION</p><p>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.</p><p>Date Revised: DECEMBER 11, 2005</p><p>Survey Date: DECEMBER 20, 2004</p><p>Signature and Seal of Professional Surveyor</p><div><p>JASON C. EDWARDS</p><p>NEW MEXICO</p><p>15269</p><p>REGISTERED PROFESSIONAL SURVEYOR</p></div><p>JASON C. EDWARDS</p><p>Certificate Number 15269</p></div>
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WILLIAMS PRODUCTION COMPANY

Operations Plan

(Note: This procedure will be adjusted on site based upon actual conditions)

DATE: 1/9/2006 **FIELD:** BasinDK/BlancoMV
WELL NAME: Cox Canyon #7B **SURFACE:** BLM
SURF LOCATION: NENW Sec17-32N-11W
BH LOCATION: NENE Sec 16-31N-6W San Juan, NM **MINERALS:** BLM
ELEVATION: 6,659' GR **LEASE #** NM-03190
MEASURED DEPTH: 8,185'

I. GEOLOGY: Surface formation - San Jose

A. FORMATION TOPS: (KB)

Name	TVD	MD	Name	TVD	MD
Ojo Alamo	1,483	1,513	Cliff House	5,088	5,173
Kirtland	1,498	1,529	Menefee	5,253	5,338
Fruitland	2,828	2,913	Point Lookout	5,603	5,688
Pictured Cliffs	3,298	3,383	Mancos	5,913	5,998
Lewis	3,443	3,528	Gallup	6,973	7,075
Huerfanito Bentonite	3,978	4,063	Greenhorn	7,688	7,773
			Graneros	7,753	7,838
			Dakota	7,833	7,918
			Morrison	8,098	8,183
			TD	8,098	8,185

B. MUD LOGGING PROGRAM: Mud logger on location from approximately 7,773' to TD.

C. LOGGING PROGRAM: Cased Hole logs only.

D. NATURAL GAUGES: Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

- A. **MUD PROGRAM:** Clear water with benex to 7" casing point. Convert to a LSND mud to log and run pipe. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses. Use air w/Air Hammer from 7 in. csg.to TD.
- B. **BOP TESTING:** While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the BOPE will be tested to **250 psi (Low) for 5 minutes** and **1500 psi (High) for 10 minutes**. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. **All tests and inspections will be recorded in the tour book as to time and results.**

III. MATERIALS

A. CASING PROGRAM:

<u>CASING TYPE</u>	<u>HOLE SIZE</u>	<u>DEPTH (MD)</u>	<u>CASING SIZE</u>	<u>WT. & GRADE</u>
Surface	14-3/4"	+/- 300'	10-3/4"	32.75# H-40
Intermediate	9-7/8"	+/-2,847'	7-5/8"	26.4# K-55
Prod. Casing	6-3/4"	+/- 7,862'	5-1/2"	17.0# N-80
Production Liner	4-3/4"	+/-7,762' - 8,185'	3-1/2"	9.3#

B. FLOAT EQUIPMENT:

1. **SURFACE CASING:** 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
2. **INTERMEDIATE CASING:** 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) Turbulent centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) Turbulent centralizer at 2,700 ft., 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. (**NTL-FRA 90-1**).
3. **PRODUCTION LINER / CASING:** 3-1/2" & 5-1/2" whirler type cement nose guide shoe with a latch collar on top of 20' bottom joint. Place marker joint above 5,400'. Place centralizers as needed across selected production intervals.

C. CEMENTING:

(Note: Volumes may be adjusted onsite due to actual conditions)

1. **SURFACE:** Slurry: 255sx (356 cu.ft.) of "Type III" + 2% CaCl₂ + 1/4 # of cello-flake/sk (Yield = 1.39 cu.ft./sk, Weight = 14.5 #/gal.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 1500psi.
2. **INTERMEDIATE:** Lead - 455 sx (945) cu.ft.) of "Type III" 65/35 poz with 8% gel, 1% CaCl₂ and 1/4# cello-flake/sk (Yield = 2.09 cu.ft./sk, Weight = 12.1 #/gal.). Tail - 100 sx (139cu.ft.) of "Type III" with 1/4# cello-flake/sk, and 1% CaCl₂ (Yield = 1.4 cu.ft./sk, Weight = 14.5#/gal.). Use **100% excess in Lead Slurry** to circulate to surface. **No excess in Tail Slurry**. Total volume = 1,084 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.

3. PRODUCTION CASING: 10 bbl Gelled Water space. Lead: 100sx (259ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, ¼ #/sk cello flake and 4% Phenoseal. (Yield = 2.59 cu.ft./sk, Weight = 11.6 #/gal.). Tail Cement: 125sx (254 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, ¼ #/sk cello flake and 4% Phenoseal. (Yield = 2.15 ft³/sk, Weight = 12.3 #/gal.). Displace cement at a minimum of 8 BPM. The 20% excess in lead and tail should cover 100 ft into intermediate casing. Total volume 513ft³. WOC 12 hours
4. PRODUCTION LINER: 10 bbl Gelled Water space. Cement: 50sx (100 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, ¼ #/sk cello flake. (Yield = 2.15 ft³/sk, Weight = 12.3 #/gal.). Displace cement at a minimum of 8 BPM. The 20% excess should cover 100 ft above liner top. Total volume 100ft³. WOC 12 hours

IV COMPLETION

A. CBL

1. Run Cement Bond Log across all intervals to be perforated and find Top of Cement behind all casing strings if cement not circulated to surface..

B. PRESSURE TEST

1. Pressure test 7 5/8" & 5-1/2" casing to 3300# for 15 minutes.

C. STIMULATION

1. Stimulate Dakota with approximately 70,000# of 20/40 sand in x-link foam.
2. Isolate Dakota with a RBP.
3. Stimulate Point Lookout with approximately 80,000# of 20/40 sand in slick water.
4. Isolate Point Lookout with a RBP.
5. Perforate the Menefee/Cliff House as determined from the open hole logs.
6. Stimulate with approximately 80,000# of 20/40 sand in slick water.
7. Test each zone before removing bridge plugs.

D. RUNNING TUBING

1. Dakota: Run 2-1/16", 3.25#, J-55, IJ tubing with 1/2 mule shoe on bottom, SN with pump-out plug on top of adeem joint and 5 Seal Units. Land tubing approximately 100' below top Dakota perf.
2. Mesa Verde: Run 2-1/16", 2.9#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforations.

Larry Sizemore
For Gary Sizemore
Sr. Drilling Engineer

New Mexico
San Juan County
Sec. 17-T32N-R11W
Cox Canyon Unit #7B
Plan 010406

Plan 010406 Proposal Data

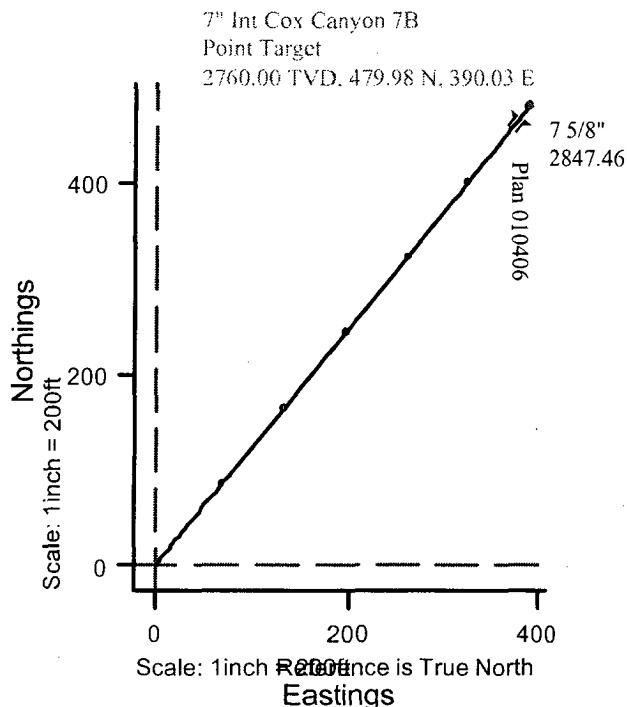
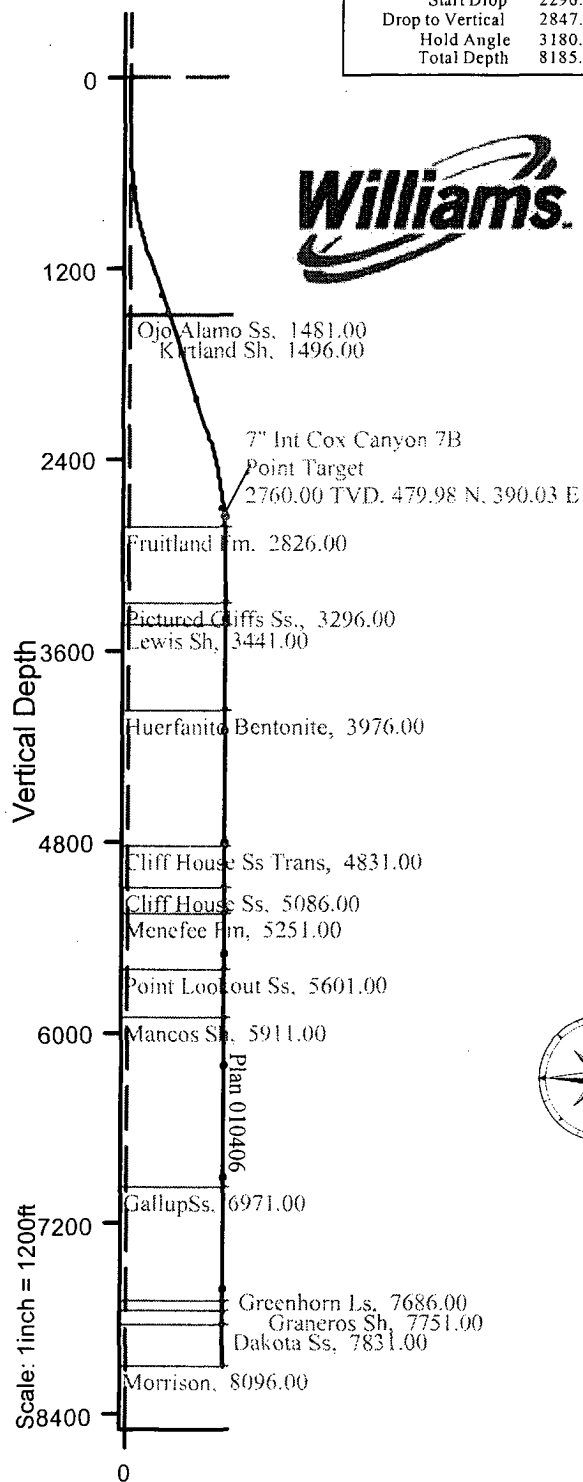
	Measured Depth	Incl.	Azim.	Vertical Depth	Northings	Eastings	Vertical Section	Dogleg Rate
	0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00	
Kick-Off Point	400.00	0.000	0.000	400.00	0.00 N	0.00 E	0.00	0.00
Hold Angle	1151.20	18.780	39.094	1137.82	94.70 N	76.94 E	122.01	2.50
Start Drop	2296.27	18.780	39.094	2221.93	380.80 N	309.40 E	490.65	0.00
Drop to Vertical	2847.46	5.000	39.094	2760.00	468.73 N	380.84 E	603.94	2.50
Hold Angle	3180.80	0.000	0.000	3092.91	480.01 N	390.01 E	618.48	1.50
Total Depth	8185.89	0.000	0.000	8098.00	480.01 N	390.01 E	618.48	0.00

Cox Canyon Unit #7B Surface Location

RKB Elevation: 6671.00ft above Mean Sea Level
Ref. Structure: 1140.00 S, 1560.00 E
Ref. Global Coordinates: 2179376.14 N, 447024.14 E
Ref. Geographical Coordinates: 36° 59' 21.0000" N, 108° 00' 53.0000" W

Plan 010406 Bottom Hole Location

Ref. RKB(6659'+12'KB): 8098.00ft
Ref. Structure: 1427.00ft
Ref. Wellhead: 480.01 N, 390.01 E (True North)
Ref. Global Coordinates: 2179855.40 N, 447415.06 E
Ref. Geographical Coordinates: 36° 59' 25.7465" N, 108° 00' 48.1926" W



Section Azimuth: 39.094° (True North)

Vertical Section

Prepared by:
Dennis Cook

Date/Time:
4 January, 2006 - 16:57

Checked:

Approved: