

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

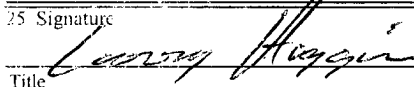
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

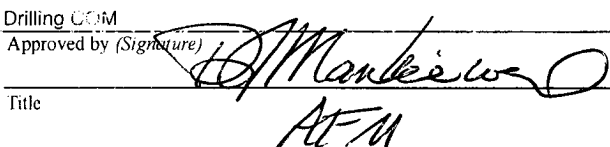
1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. Jicarilla Apache Contract #93	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other X Single Zone Multiple Zone		6. If Indian, Allottee or Tribe Name Jicarilla Apache Nation	
2. Name of Operator Williams Production Company, LLC		7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. Box 640, Aztec, NM 87410		8. Lease Name and Well No. Jicarilla 93 #12B	
3b. Phone No. (include area code) (505) 634-4208		9. API Well No. 30-039-29805	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1190 FNL & 660 FWL At proposed prod. zone same		10. Field and Pool, or Exploratory Blanco MV	
14. Distance in miles and direction from nearest town or post office* 16 miles NE of Lindrith, NM		11. Sec., T., R., M., or Blk. and Survey or Area D Sec 34, T27N, R3W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'		12. County or Parish Rio Arriba	
16. No. of Acres in lease 320		13. State NM	
17. Spacing Unit dedicated to this well 320 (W/2)			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1250'		20. BLM/BIA Bond No. on file B001576	
19. Proposed Depth 6530'			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7181' GR		22. Approximate date work will start* June 1, 2006	
		23. Estimated duration 1 month	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed Typed) Larry Higgins	Date 2-8-06
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Drilling COM Approved by (Signature) 	Name (Printed Typed) AFM	Office FFO	Date 9/11/06
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Application approval 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.
Conditions of approval, if any, are attached.

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Williams Production Company, LLC, proposes to drill a vertical well to develop the Blanco Mesa Verde formation at the above described location in accordance with the attached drilling and surface use plans.

The surface is located on Jicarilla Apache Nation lands.

This location has been archaeologically surveyed by Velarde Energy.

1520 foot pipeline tie would be required for this location and it is also located on Jicarilla Apache Nation lands.

1400' new access road will be needed to access this well.

NMOC

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 INSTRUCTIONS".

2006 FEB 9 AM 8 01
RECEIVED
OTO FARMINGTON NM

District I
1615 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-29805		Pool Code 72319	Pool Name BLANCO MESA VERDE
Property Code 17029	Property Name JICARILLA 93		Well Number 12B
OCRID No. 120782	Operator Name WILLIAMS PRODUCTION COMPANY		Elevation 7181

10 Surface Location

UL or loc. no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
D	34	27N	3W		1190	NORTH	660	WEST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or loc. no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320 Ac. W/2		Joint or Infill		Consolidation Code		Order No.			

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

	5277.36	5280.00	12 OPERATOR CERTIFICATION I hereby certify that the information furnished herein is true and complete to the best of my knowledge and belief. Signature: <i>Larry Higgins</i> Printed Name: <i>Larry Higgins</i> Title and E-mail Address: <i>Drilling Com</i> Date: <i>2-8-06</i>
	5284.74		13 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual measurement made by me or under my supervision, and that the same is true and correct to the best of my belief. Date: <i>AUGUST 26 2006</i> Signature: <i>Cecil B. Tullis</i> Printed Name: <i>Cecil B. Tullis</i> Title: <i>REGISTERED PROFESSIONAL LAND SURVEYOR</i> Commission No.: <i>9572</i>

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (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.)		WELL API NO.
1. Type of Well: Gas Well <input checked="" type="checkbox"/>		5. Indicate Type of Lease Federal (Indian)
2. Name of Operator Williams Production Company		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 640, Aztec, NM 87410		7. Lease Name or Unit Agreement Name Jicarilla 93
4. Well Location Unit Letter J : 1190 feet from the North line and 660 feet from the West line Section 34 Township 27N Range 3W NMPM County Rio Arriba		8. Well Number #12B
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7181' GR		9. OGRID Number 120782
Pit or Below-grade Tank Application <input checked="" type="checkbox"/>		10. Pool name or Wildcat Blanco MV
Pit type <u>Drilling</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>500'<1000'</u>		
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>bbls</u> Construction Material <u></u>		

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drilling/Completion pit to be located approximately 50-75 feet from well head. Pit multi-use drilling and completion to avoid additional site disturbance and pit will be considered out of service once production tubing set. Reserve pit to be constructed in accordance with NMOCD Interim Pit and Below-Grade Tank Guidelines



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Larry Higgins TITLE Drilling COM DATE 9-30-05

Type or print name Larry Higgins E-mail address: larry.higgins@williams.com Telephone No. (970) 563-3308

For State Use Only

APPROVED BY: [Signature] TITLE SENIOR OIL & GAS INSPECTOR, DIST. IV DATE SEP 15 2006

WILLIAMS PRODUCTION COMPANY

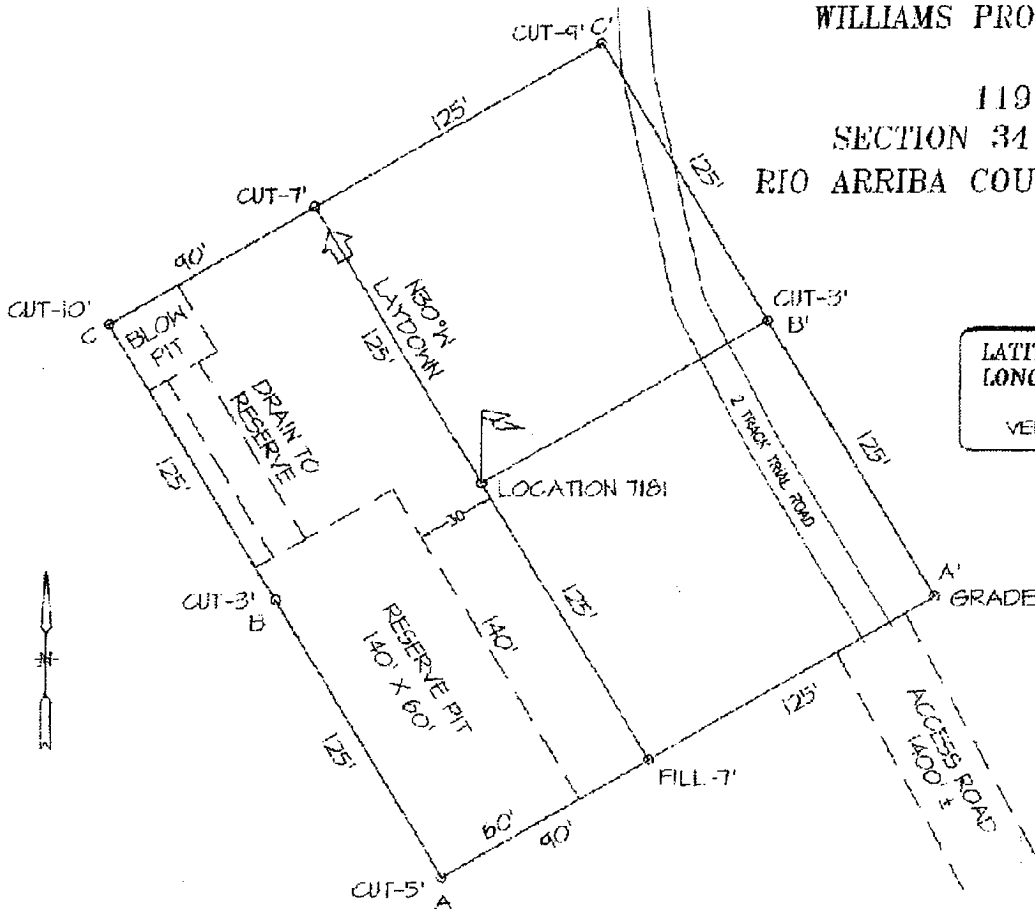
JICARILLA 93 #12B

1190 FNL & 660 FWL

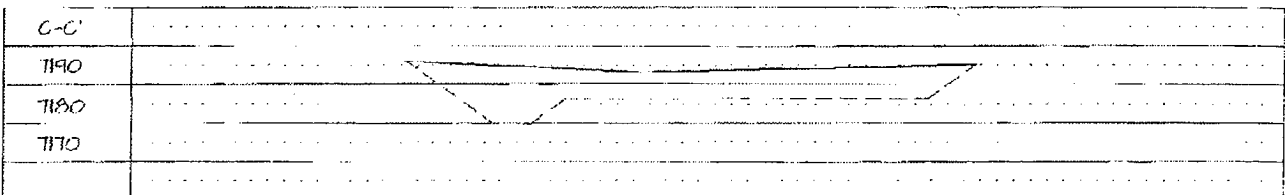
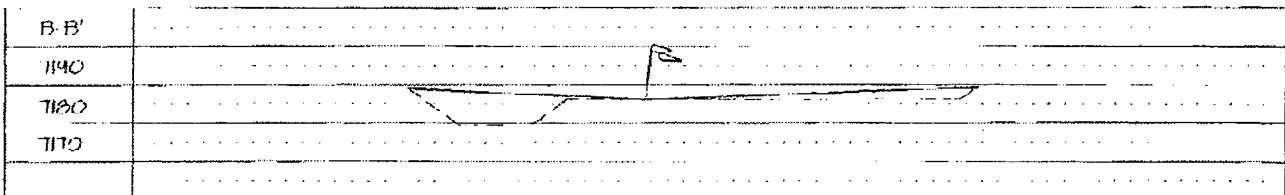
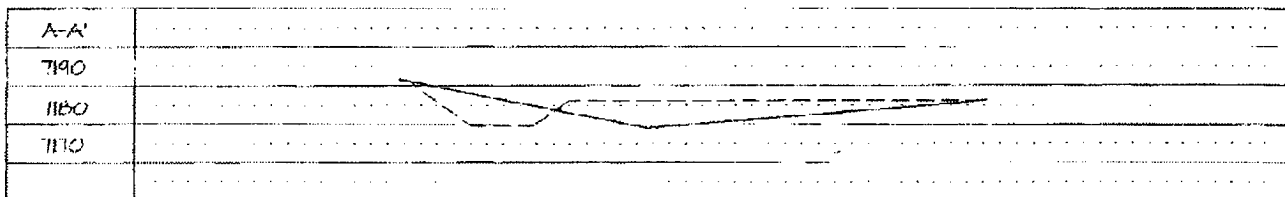
SECTION 34 T27N R3W NMPM

RIO ARriba COUNTY, NEW MEXICO

ELEVATION: 7181



LATITUDE: 36°32'02" N
LONGITUDE: 107°08'20" W
NAD 84
VERT. DATUM: NAD 1921





WILLIAMS PRODUCTION COMPANY

Operations Plan

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

<u>DATE:</u>	2/8/2006	<u>FIELD:</u>	Blanco MV
<u>WELL NAME:</u>	Jicarilla 93 #12B	<u>SURFACE:</u>	Jicarilla Apache Nation
<u>BH LOCATION:</u>	NWNW Sec 34-27N-3W Rio Arriba, NM	<u>MINERALS:</u>	Federal
<u>ELEVATION:</u>	7,181' GR	<u>LEASE #</u>	Jicarilla #93
<u>MEASURED DEPTH:</u>	6,530'		

I. GEOLOGY: Surface formation - San Jose

A. FORMATION TOPS: (KB)

Name	MD	Name	MD
Ojo Alamo	3,520	Cliff House	5,635
Kirtland	3,635	Menefee	5,785
Fruitland	3,695	Point Lookout	6,100
Picture Cliffs	3,895	Mancos	6,340
Lewis	4,095	TD	6,530
Huerfanito Bentonite	4,425		

B. MUD LOGGING PROGRAM: None

C. LOGGING PROGRAM: High Resolution Induction log from surface shoe to TD. GR and Density/ Neutron log over zones of interest. Onsite geologist will pick Density/ Neutron log intervals on logging runs.

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	12-1/4"	+/- 300'	9-5/8"	36# K-55
Intermediate	8-3/4"	+/- 4,280'	7"	20# K-55
Prod. Liner	6-1/4"	+/- 4,180'-6,530'	4-1/2"	10.5# K-55

B. FLOAT EQUIPMENT:

1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (3) 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 CASING: 4-1/2" & 5-1/2" whirlr 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: 150sx (205 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 - 550 sx (1,146) 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 - 50 sx (70cu.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 = ~~1216~~ ¹²²⁰ cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface.
3. PRODUCTION LINER: 10 bbl Gelled Water space. Lead: 50sx (130ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE. (Yield = 2.59 cu.ft./sk, Weight = 11.6 #/gal.). Tail: 100 sx (215 ft³) of Premium Light HS + 1% FL-52 + .2% CD-32, 0.1% R-3, 3 #/sk CSE, 1/4 #/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 ~~330~~ ³⁴⁵ ft³. 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 is not circulated to surface.

B. PRESSURE TEST


1. Pressure test 7" & 4-1/2" casing to 3300# for 15 minutes.

C. STIMULATION

1. Perforate the Point Lookout as determined from the open hole logs.
2. Stimulate with approximately 9,300# of 14/30 LiteProp™ sand in slick water.
3. Isolate Point Lookout with a CIBP.
4. Perforate the Menefee/Cliff House as determined from the open hole logs.
5. Stimulate with approximately 9,300# of 14/30 LiteProp™ sand in slick water.
6. Test each zone before removing bridge plugs.

D. RUNNING TUBING

1. Mesa Verde: Run 2-3/8", 4.7#, J-55, EUE tubing with a SN (1.91" ID) on top of bottom joint. Land tubing approximately 25' above the bottom Point Lookout perforation.


Gary Sizemore
Sr. Drilling Engineer

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Exhibit #1 Typical BOP setup

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)

