In Lieu of Form 3160 (June 1990)

UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No 1004-0135

	704 & 0 4000	Expires: Water 51, 1995		
I	SUNDRY NOTICE AND REPORTS ON WELLS Ureau of Languarianage. So not use this form for proposals to drill or to deepen or reentry to a different reservoir. A PRINCIPLE OF THE P	2 0 1 0 0 0 0 0 0 0 0 0 0		
	TO DRILL" for permit for such proposals	-	If Indian, Allottee or Tribe Name	
	SUBMIT IN TRIPLICATE	7		
I.	Type of Well Oil Well Gas Well X Other	8.		
2.	Name of Operator WILLIAMS PRODUCTION COMPANY, LLC	9.	API Well No. 30-039-29939	
3.	Address and Telephone No PO BOX 640, AZTEC, NM 87410 (505) 634-4200	10	Field and Pool, or Exploratory Area Basin Frutland Coal	
4	Location of Well (Footage, Sec, T, R, M, or Survey Description) 465' FSL & 360' FWL SEC 3,T31N,R5W 900' FSL & 760' FEL SEC 4, T31N, R5W	11	County or Parish, State Rio Arriba, NM	

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment Change of Plans Notice of Intent Recompletion New Construction Non-Routine Fracturing X Subsequent Report Plugging Back Casing Repair Water Shut-Off Altering Casing Final Abandonment Conversion to Injection X Other - Completion Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertunent 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)*

NOTE: 63 bbl cement circulated to pit when 7" casing cemented on 7-29-08.

RĆVD SEP 9 '08 OIL CONS. DIV. DIST. 3

<u>8-16-08</u> - Road rig and equipment from Rosa 258A to Rosa 359A, spot rig & equipment, RU surface equipment, ND WH, NU BOPE & blooie line. Secure well & equipment SDFN. No accidents reported

8-17-08 - Travel to location. --- SM w/ rig crew, service & start equipment. --- RU rig pump to csg valve, Test 7" csg & blind rams to 1500 psi hold for 30min w/ no leak off. Good test. --- PU, MU & RIW as follows. 6-1/4" RR button bit, bit sub w/ float, eight 4-3/4" DC's, X-over sub & 101 jts 2-7/8" AOH DP, tag FC @ 3433'. --- PU & RU 3.5 PS, --- break circ w/ produced water, DO FC @ 3433', cmt, & 7" csg shoe @ 3481. --- circulate btms up. Pull up off bottom. Secure well & equipment, SDFN no accidents reported

8-18-08 - Travel to location --- SM w/ rig crew, service & start equipment --- RU Choquette Logging, agitator on sample catcher wouldn't work, wait on Choquette to go get a replacement. --- RIW and tag @ 3481', break circ w/ produced coal water, begin DO formation @ 3481', DO to 3588'. --- Circ bttms up. --- LD 3 jts DP, pull into 7" csg. --- Secure well & equipment, SDFN no accidents reported

14	I hereby certify that the foregoing is true and correct Signed Larry Higgins	Title Drilling COM	Date	August 26, 2008	100000000000000000000000000000000000000
	(This space for Federal or State office use)				- ADDE TED TO RECORD
	Approved by	Title		Date	SEP 0 4 2008
	Conditions of approval, if any	NMOCD			FARMINGTON FIELD OFFICE BY TL SALVEYS

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.

Page 2 - RU #359A

<u>8-19-08</u> - Travel to location. --- SM w/ rig crew, service & start equipment. --- PU 3jts DP, RIW and tag @ 3588', break circ w/ produced coal water, resume DO formation @ 3588', DO to TD @ 3747'. --- circ bottoms up. --- SM, w/ all personnel on location. RU Basin WL, PU Scientific Drilling Gyro & RIW. At 20:00 Gyro hung up @ 2848' unable to get any deeper, POOW & PU sinker bar. RIW and start over w/ survey. POOW w/ WL & Gyro, RD Basin WL. Deviation @ TD 22.12 degrees. --- Tie air package to Drill string, unload wtr w/ air. --- LD 8 jts of DP, set bit @3461' 20' into 7" csg. Secure well and location SDFN, no accidents reported

<u>8-20-08</u> - Travel to location. --- Hang back PS, TOH & standback DP & DC's, break off bit. --- PU, MU & RIW w/ Knight UR, bit sub, 8 DC's & 102 jts 2-7/8" DP. --- Est circ w/ 12bph air-mist w/ 2 gal foamer per 20 bbl produced water, open under reamer arms @ 3488'. --- UR 6-1/4" to 9-1/2", from 3488' to 3521'. --- circ bttms up. --- LD 2 jts DP & pull into 7" csg, Secure well, SDFN no accidents reported.

8-21-08 - Travel to location. --- SM w/ rig crew, service & start equipment. --- PU & RIW w/ 2jts DP. Est circ w/ 10 bph air-mist w/ 1 gal foamer per 20 bbl produced water, --- Resume UR 6-1/4" to 9-1/2", from 3521' to 3527'. --- Under reamer stuck @ 3527' pull on string, rotate and work UR free, circ hole clean. --- Resume UR 6-1/4" to 9-1/2", from 3521' to TD @ 3747'. --- pump 2 3bbl sweeps, circ bottoms up, blow well dry w/ air. --- LD 9 jts DP, pull into 7" csg. --- FLOW TEST: Duration = .5 hr, Test Method = pitot, MCF/D = 247 mcf/d, Csg Psi = 2.5 ozs, Tbg Psi = 0 psi, Gas Type = dry, Gas Disposition = non flaring, Choke Size = 2" open line. Secure well, SDFN no accidents reported

<u>8-22-08</u> - Travel to location. --- SM w/ rig crew, service & start equipment. SICP 700psi, bleed well down @ 2" line. --- RD & LD 3.5 PS. --- TOH & LD DP, DC's & Knight UR, LD UR, underreamer is missing 2 arms, called Kirk Place and decision was made to make a bit run, then run under reamer again. --- Wait on DP PU line from AWS. PU MU & RIW w/ bit, bit sub, eight DC's, X-over sub & 106 jts DP. Tagged hard @ 3580'. --- LD 3 jts DP & pull into 7" csg, --- Secure well & equipment SDFN, no accidents reported.

8-23-08 - Travel to location, rig crew was late they had 2 flats on Rosa road. --- SM w/ rig crew, service & start equipment. SICP 900psi, bleed well down slow @ blooie line. --- PU DP singles & RIW, tag @ 3580' worked past it with no problem, RIW to TD @ 3747' lt drag going in. --- LD 9jts DP, TOOH & standback DP & DC's, break off bit. --- PU, MU & RIW w/ Knight UR, bit sub, 8 DC's & 102 jts 2-7/8" DP. --- PU & RU 3.5 PS. --- Est circ w/ 12bph air-mist w/ 2 gal foamer per 20 bbl produced water, open under reamer arms @ 3488' --- UR 6-1/4" to 9-1/2", from 3488' to TD @ 3747', Under reamed easy until 3690' 57' off TD @ 3747', slowed way down at this depth. --- pump 2 2bbl sweeps, circ bottoms up. --- LD 9 jts DP, pull into 7" csg. Secure well, SDFN no accidents reported

<u>8-24-08</u> - Travel to location. --- SM w/ rig crew, service & start equipment. SICP 900psi, bleed well down slow @ blooie line. --- RD & LD 3.5 PS. --- TOH & LD DP, DC's & Knight UR. --- ND BOPE & blooie line, NU WH --- RD surface equipment, lower derrick, prepare for rig move to Rosa 350A, tidy up location. Secure well, SDFN no accidents reported. ---- Final report for AWS rig #204, well is ready for cavitation. (note for cavitation rig: 2 under reamer arms were left in the hole)

NOTE: Well will be cavitated and production casing and tubing ran at a later date.

Surface Location: 465' FSL and 360' FWL SW/4 SW/4 Sec 3 (M), T31N, R5W

Rio Arriba, NM

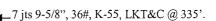
Bottom Hole Location: 900' FSL and 760' FEL SE/4 SE/4 Sec 4 (P), T31N, R5W Rio Arriba, NM

Elevation: 6548' GR API # 30-039-29939

Тор	MD Depth	TVD Depth
Ojo Alamo	2878'	2672'
Kirtland	3005'	2782'
Fruitland	3420'	3142'

ROSA UNIT #359A BASIN FRUITLAND COAL





75 jts 7", 23#, K-55, LT&C @ 3482'.

6-1/4" Open hole

from 3482' to 3747'

TD @ 3747' MD

Open hole from 6-1/4" to 9-1/2" from 3488' to 3747'

Seminate and	Hole Sıze	Casing	Cement	Volume	Top of Cmt
f-approximate and	12-1/4"	9-5/8", 36#	150 sx	205 cu.ft.	Surface
Same was	8-3/4"	7", 23#	542 sx	1083 cu.ft.	Surface
-	6-1/4"	none at	this time		