

In Lieu of
Form 3160
(June 1990)

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 16 2009

FORM APPROVED
Budget Bureau No. 1004-0135

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 Field Office" for permit for such proposals

Bureau of Land Management
Field Office

Lease Designation and Serial No.
NM-03189

SUBMIT IN TRIPLICATE		6.	If Indian, Allottee or Tribe Name
		7.	If Unit or CA, Agreement Designation COX CANYON UNIT
1.	Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	8.	Well Name and No. COX CANYON #5B
2.	Name of Operator WILLIAMS PRODUCTION COMPANY	9.	API Well No. 30-045-32142
3.	Address and Telephone No. PO BOX 3102 MS 25-4, TULSA, OK 74101 (918) 573-3046	10.	Field and Pool, or Exploratory Area BLANCO MV/BASIN DK
4.	Location of Well (Footage, Sec., T., R., M., or Survey Description) 1025' FSL, 1835' FWL, SE/4 SW/4, SEC 21, T32N, R11W	11.	County or Parish, State SAN JUAN, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	Abandonment
<input type="checkbox"/> Subsequent Report	Recompletion
<input type="checkbox"/> Final Abandonment	Plugging Back
	Casing Repair
	Altering Casing
	<input checked="" type="checkbox"/> Other <u>Commingle</u>
	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.)*

Objective: Pull tubing, cleanout to PBTD, acid stimulate MV/DK if needed and complete as a commingle and install Plunger Lift System.

- 1) MIRU, kill well, ND tree, & NU BOP's.
- 2) Release & remove Production packer (Baker 5 1/2" Model R-3)
- 3) Pull Dakota tubing.
- 4) Clean out to PBTD
- 5) Acid stimulate each formation
- 6) Complete with single string 2-3/8" tubing, landed tubing ~ 8358'
- 7) ND BOP's & NU tree
- 8) Release rig.
- 9) Return to production as MV/DK commingle

RCVD JAN 23 '09
OIL CONS. DIV.
DIST. 3

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

Signed

Rachel Lippard
Rachel Lippard

Title Engineering Technician II

Date January 15, 2009

(This space for Federal or State office use)

Approved by

Original Signed: Stephen Mason

Title

Date

JAN 20 2009

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.

NMOC



Exploration & Production

Production Allocation Recommendation Cox Canyon 5B (MV/DK)

WELLNAME: Cox Canyon 5B
LOCATION: SW/4 SW/4 Sec.21, T32N,R11W
API No.: 03-045-32142

FIELD: Blanco
COUNTY: San Juan, NM
Date: November 5, 2008

Current Status: The Cox Canyon 5B is currently a dual completion well producing from the Mesa Verde and Dakota formations. The Dakota formation is currently producing up tubing and the Mesa Verde formation is producing up the casing. Williams plans to commingle the Mesa Verde and Dakota zones, increasing the ability to produce the well more efficiently. Williams recommends commingling the well.

Commingling Procedure:

1. Pull Dakota tubing.
2. Remove Production packer
3. Clean out to PBTD
4. Acid stimulate each formation
5. Complete with single string 2-3/8" tubing, landed ~ 8358', in the DK perms
6. Return to production as MV/DK commingle

Allocation Method: Historic production data from both zones on this well was gathered and analyzed. Monthly production data from February 2007 through December 2007 was considered because this represented a time when both zones appear to be free from loading problems and each zone was producing optimally. During this time frame the Mesa Verde accounted for approximately 84% of the total production, while the Dakota contributed the remaining 16% of production.

From February 2007 – December 2007

Total Production from well = 136,460 Mcf

Total Production from MV = 114,271 Mcf

Total Production from DK = 22,189 Mcf

MV allocation = MV prod / Total prod = 114,271 Mcf / 136,460 Mcf = **84%**

DK allocation = DK prod / Total prod = 22,189 Mcf / 136,460 Mcf = **16%**



EXPLORATION & PRODUCTION

COMMINGLE MV/DK

COX CANYON 5B
SAN JUAN, NEW MEXICO
NOVEMBER 2008

WELLBORE STATUS:

PBTD 8,425' MD

2-3/8", 4.7#/FT, J-55 & N-80 EUE 8 RD TO 8,358' MD

MV ESTIMATED; SIBHP = 350± PSIG

DK ESTIMATED; SIBHP = 1000± PSIG

5-1/2" 17#/FT N-80 LT&C PRODUCTION CASING

OBJECTIVE: Pull tubing, cleanout to PBTD, acid stimulate MV/DK if needed and complete as a commingle and install Plunger Lift System.

- 1) MIRU, kill well, ND tree, & NU BOP's.
- 2) Release & remove Production packer (Baker 5 1/2" Model R-3)
- 3) Pull Dakota tubing.
- 4) Clean out to PBTD
- 5) Acid stimulate each formation
- 6) Complete with single string 2-3/8" tubing, landed tubing ~ 8358'
- 7) ND BOP's & NU tree
- 8) Release rig.
- 9) Return to production as MV/DK commingle

PRIOR TO PRIMARY JOB

- 1) Test rig anchors.
- 2) Verify location is OK for rig operations.
- 3) Ensure JSA, ECP's and lockout procedures are in place for the flow line and other energized piping or equipment.

SAFETY NOTICE

PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!

PROCEDURE:

Note: A safety meeting shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent (i.e. beginning/ending fishing operations, squeeze jobs, rigging down, etc.)

1. Spot equipment, MIRU.
2. Blow down gas on well as possible to kill.
3. Set BPV's as necessary and pump into tubing string and backside to load well with filtered FLSW + 2% KCl as necessary to kill well.

Note: Steps 2 & 3 are to be performed each day before work begins and as necessary throughout the workday (with expected departure(s) when tubing is out of the hole).

4. ND tree and NU BOP's (blind & pipe rams).
5. Function test BOP's for operation and have shop test report for pressure on location.

Note: Step 5 is to be performed each time BOP stack is nipped up.

6. P/U on tubing (2-3/8" 4.7#/ft) and attempt to pull out of packer not to exceed 35,000 lbs over string weight.
7. POOH with 2-3/8" production tubing & LD tubing & packer.

ATTENTION

Only use pipe dope on the pins. **Do not dope the couplings.** If pipe dope gets on the exterior of the couplings or the pipe it should be wiped clean from the pipe or coupling. Do not use excess pipe dope and only dope the threads on the pins.

Note:

Rabbit all tubing RIH.

8. MU 2-3/8" production string w/ F-Nipple - RIH rabbiting to insure adequate gauged tubing, and end of tubing at ~8358'.
9. N/D BOP's and N/U wellhead.
10. R/D, move off location.
11. Return well to production.



To: Bobby Goodwin and Jason Richardson
From: Production Optimization Team
Date: 11/7/2008

SUBJECT: Cox Canyon 5B MV/DK Commingle

William's recommends acid stimulating and commingling the Mesa Verde and Dakota formations in the Cox Canyon 5B. A plunger lift system will be installed to artificially lift produced water.

A perforating tool was stuck in the tubing June 2006 and was never recovered. Williams plans to commingle the Mesa Verde and Dakota zones, increasing the ability to produce the well more efficiently. Currently the Cox Canyon 5B is a dual completion, the Dakota formation is currently producing up tubing and the Mesa Verde formation is producing up the casing. The Mesa Verde is producing an average of 250 MCFD. The Dakota is producing an average of 25 MCFD; with no way to monitor backside pressures making it difficult to evaluate liquid loading. In addition the dual completion limits our ability to remove fill from across the Dakota perforations.

Commingling the well and installing a plunger lift system will keep the well unloaded and lower bottom hole flowing pressure so more remaining reserves can be captured.

Production allocation will be based on historical production data from each producing zone.

This work will increase the current Mesa Verde production by 50 MCFD and increase the current Dakota production by 100 MCFD. The capital cost of this project is 267 M\$ (64M\$ net to WPX). Attached is a cost estimate, well bore diagram, and production allocation recommendation to obtain approval for commingle and pumping unit install on the Cox Canyon 5B.

Justin Stolworthy

Production Engineer

COX CANYON UNIT #5B
BLANCO MV/BASIN DK

Surface Location:

1025' FSL and 1835' FWL
SE/4 SW/4 Sec 21(N), T32N, R11W
San Juan, NM

Bottom Hole Location:

712' FSL and 845' FWL
SW/4 SW/4 Sec 21(M), T32N, R11W
San Juan, NM

Elevation: 6880' GR

API # 30-045-32142

Spud: 03/27/06

Completed: 05/11/06

1st Delivery: 05/20/06

Top	MD Depth
Cliffhouse Ss.	5528'
Menefee	5689'
Point Lookout	6037'
Mancos	6510'
Dakota	8270'

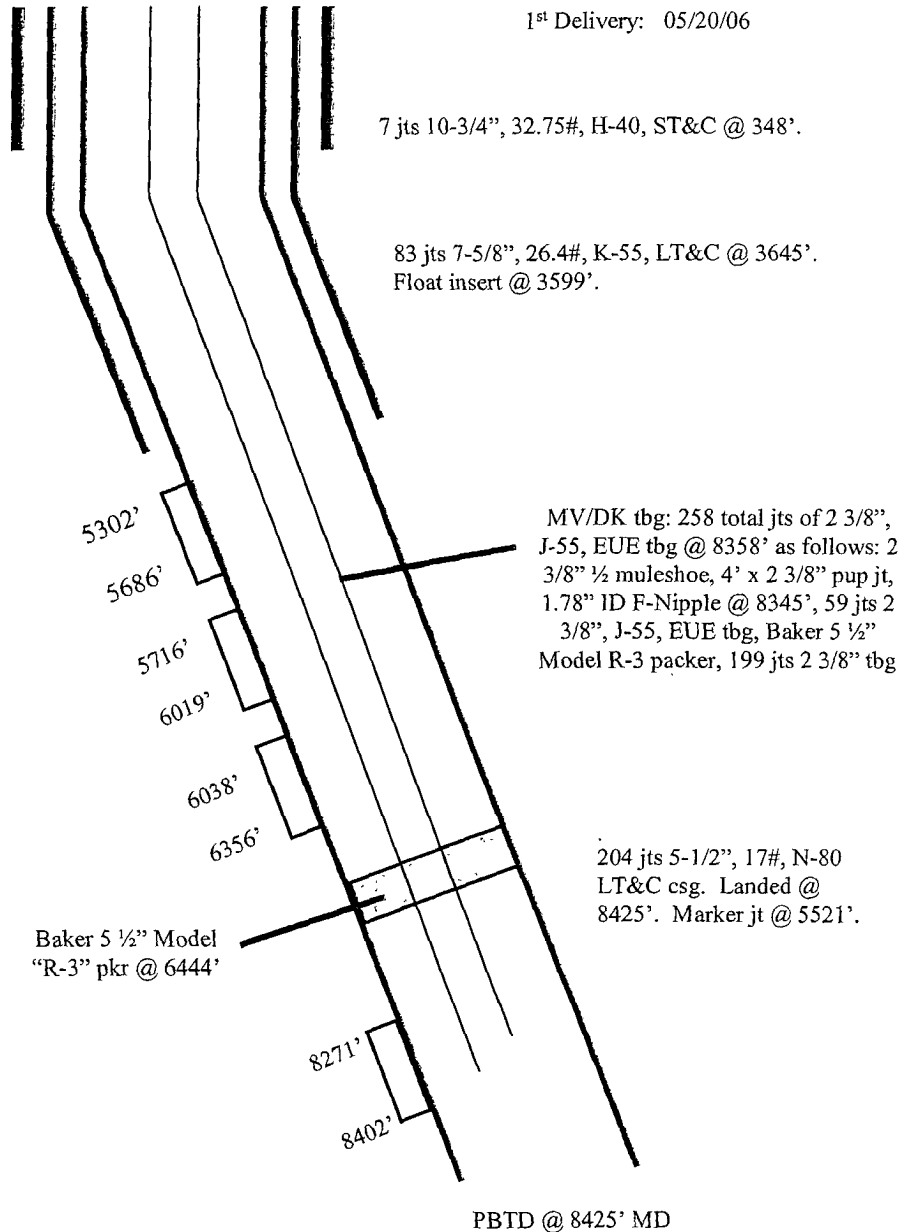
Stimulation:

Cliffhouse: 5302' - 5686' (76, 0.38" holes) Frac with 80,074 gals slickwater & 9600# LiteProp tailed w/ 3000# 20/40 brown sand.

Menefee: 5716' - 6019' (55, 0.38" holes) Frac with 77,475 gals slickwater & 9320# LiteProp tailed w/ 2550# 20/40 brown sand.

Point Lookout: 6038' - 6356' (70, 0.38" holes) Frac with 73,940 gals slickwater & 9500# LiteProp, tailed w/ 2500# 20/40 brown sand.

Dakota: 8271' - 8402' (90, 0.38" holes) Frac with 53,874 gals 60Q N2 foam & 60,000# 20/40 Carbolite sand.



Hole Size	Casing	Cement	Volume	Top of Cmt
14-3/4"	10-3/4", 32.75#	275 sxs	382 cu.ft.	Surface
9-7/8"	7-5/8", 26.4#	850 sxs	1723 cu.ft.	160'
6-3/4"	5-1/2", 17#	300 sxs	691 cu.ft.	1450'