In Lieu of Form 3160 (June 1990)

UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENTOR 1 5 2009

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

SUNDRY NOTICE AND REPORTS ON WELLS LARG MARRIGORILON Do not use this form for proposals to drill or to deepen or reentry to a different reservoir . Use APRIGORILON TO DRILL" for permit for such proposals

5 Lease Designation and Scrial No.

Jicarilla Apache Contract #92

6. If Indian, Allottee or Tribe Name Jicarilla Apache Nation If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 8 1 Type of Well Well Name and No Oil Well Gas Well X Other Jicarilla 92 #2B 2. Name of Operator API Well No. WILLIAMS PRODUCTION COMPANY 30-039-29935 Address and Telephone No. Field and Pool, or Exploratory Area PO BOX 640 Aztec, NM 87410-0640 Blanco MV/ 11 Location of Well (Footage, Sec., T., R., M., or Survey Description) County or Parish, State 1980' FSL & 660' FWL SEC 29, T27N, R3W Rio Arriba, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
x Notice of Intent	Abandonment	Change of Plans		
Subsequent Report	Recompletion	New Construction		
Subsequent Report	Plugging Back	Non-Routine Fracturing		
	Casing Repair	Water Shut-Off		
Final Abandonment	Altering Casing	Conversion to Injection		
	X Other Squeeze Job	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 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 plans to go back to the above well and resqueeze the 7-5/8" casing on this well per attached procedure.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RCVD APR 20'09

OIL CONS. DIV.

DIST. 3

14	I hereby certify that the foregoing is true and correct Signed Larry Higgins	Title Regulatory Specialist	Date <u>4-15-09</u>
	(This space for Federal or Mate office use) Approved by Conditions of approval, if any.	Title Pet. Eng.	Date 4/16/09

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



Exploration & Production COMPLETION PROGNOSIS

Squeeze Procedure 4150' to 2300'

WELL NAME:

Jicarilla 92 #2B

DATE:

4/15/2009

LOCATION Surface:

1980' FSL, 660' FWL

FIELD:

Blanco MV

SEC. 29-T27N-R3W Rio Arriba, NM

API NUMBER:

30-039-29935

LOCATION Btm Hole: 1980' FSL, 660' FWL

SURFACE:

Jicarilla Apache

SEC. 29-T27N-R3W Rio Arriba, NM

MINERALS:

Fed / cont 92

ELEVATION:

7,209' GR

AFE NUMBER:

WT2333

DRILLER KB:

14.5' AGL

AMOUNT:

\$1,113,532

DRILLER TD:

6,600'

DCT:

\$783,088

PROD CSG Set at:

6,576

5697

FLOAT COLLAR:

6,528

OGRE ID: **ORACLE ID:**

62050570

DV STAGE TOOL:

3,864'

AWS 124

PROD TEAM LEAD:

Matt Lane

DRILL CNSLTNT:

DRILL RIG:

G. Gathings/W. Mock

PROD TECH:

Tommy Clements

DRILL SPUD/FIN:

1/16/09-2/01/09

INV RTG CODE:

NXEKK334711

CASING RECORD:

TYPE	SIZE	WT	GRADE	THRD	SET AT	TOL	OH SIZE	TOC
Surface	10.75	40.5	K-55	ST&C	334		14.75	surface
Production	7 5/8	26.4	J-55	LT&C	0 - 5466			
Production	7 5/8	29.7	P-110	LT&C	5466-6576		9 7/8	TBD

WIRELINE LOGS:

Weatherford – MDN/MPD & MAI/MFE (1-29-09)

FORMATION TOPS:

Ojo Alomo	3,542	Cliffhouse Trans	
Kirtland	3,698	Cliff House	5,690
Fruitland	3,738	Menefee	5,812
Picture Cliffs	3,994	Point Lookout	6,106
Lewis	4,216	Mancos	6,452
Huerfanito	4,501	TD (Logger)	6,600

PROJECT OBJECTIVE:

Place cement behind the 7 5/8" casing from 4150" to a minimum of 2300" to allow for proper isolation of the Naciemento through the Pictured Cliffs.

Exceptions are the critical items noted next.

CRITICAL ITEM DISCUSSION:

Normally a 7" intermediate string is run to the Lewis shale and then a 4 ½" production liner through the Mesaverde. In this well a 7 5/8" intermediate string was run through the Mesaverde and a DV cementing stage tool was used. Neither cement stage circulated during cementing. Note the mixed string wt and grade of 7 5/8" casing (J-55&P-110).

The DV tool was drilled out and a CBL run to the surface. The top of cement was found to be at about 6260'. The Mesaverde was squeezed leaving the top of cement at 5350'. The Mesaverde has been completed and it is now necessary to place cement from 4100' to at least 2300' (higher if possible).

A. SOUEEZE PROCEDURE:

- 1. MIRUCU. NDWH. NU BOPE, & 2 7/8 handling tools. RU pump and recirculating pit. RU Air package. Use the 2 7/8" tubing in the well for a work string. TOOH w/tbg standing in Derrick.
- 2. RU wireline truck and set CIBP at 4300'. Load hole w/fresh or produced water and pressure test casing to 1500 psi for 30 minutes.
- 3. Open Bradenhead valve between surface casing and 7 5/8" casing. Perforate 7 5/8" casing at 4160, with 3 holes phased 120 degrees apart with 1000 psi on casing. Note if casing pressure goes to zero. Note if any response on Bradenhead valve.
- 4. Pump down casing with water and establish rate and pressure. Attempt to circulate water to surface via Bradenhead valve.
- 5. Discuss results with Engineer to determine type and volume of cement to use. If circulation is established to surface, then it is intended to try to circulate cement to surface. (See attached Halliburton cementing proposal)
- 6. PU cement retainer, run in hole on tubing, and set at approximately 4080'.
- 7. Apply at least 500 psi to annulus.
- 8. Pump cement (to be determined) down tubing to within ¼ Bbl of end of tubing. Sting out of retainer, reverse circulate tubing clean, and TOOH.
- 9. If it appears that cement was raised, then run CBL. Discuss results with engineer.
- 10. If cement did not reach 2300', then block squeeze at 2400' trying to circulate cement to surface again if possible.
- 11. Perforate 2nd squeeze holes at 2400' (3 shots phased 120 degrees).
- 12. Pump into squeeze perfs and establish rate and pressure. Look for circulation at surface. If it is believed that cement can be raised a significant distance, then consult with Halliburton Engineer for a light weight lead slurry and volume.
- 13. PU cement retainer, run in hole on tubing, and set at approximately 2330'. Pressure annulus to 500 psi.
- 14. Pump cement (to be determined) down tubing to within ¼ Bbl of end of tubing. Sting out of retainer, reverse circulate tubing clean, and TOOH.
- 15. If it appears that cement was raised, then run CBL. Discuss results with engineer.
- 16. PU 6 3/4" bit and TIH. Drill retainers and cement to CIBP at 4200' and TOOH. Pressure test casing to 500 psi. Run CBL and discuss results with engineer.
- 17. If satisfactory, drill CIBP and push to PBTD. TOOH, LD bit, PU production assy (half mule shoe and SN) and land tubing. RDMO.
- 18. Attached is a Halliburton squeeze procedure with a recommended cement blend.

Kırk Place

Production Engineer

HALLIBURTON

Williams Production Company Ebus One Williams Center Tulsa, Oklahoma 74101-3102

JICARILLA -92-2B

Rio Arriba County, New Mexico United States of America S:29 T:27N R:3W API/UWI 300392993500

Squeeze #3 - Intermediate Casing

Prepared for:

Kirk Place

April 9, 2009 Version: 1

Submitted by: Hap Pinkerton Halliburton 601 S Boulder Suite 300 Tulsa, Oklahoma 74119 918.581.5213

HALLIBURTON

HALLIBURTON

Halliburton appreciates the opportunity to present this proposal and looks forward to being of service to you.

Foreword

Enclosed is our recommended procedure for squeezing the casing strings in the referenced well. The information in this proposal includes well data, calculations, materials requirements, and cost estimates. This proposal is based on information from our field personnel and previous cementing services in the area.

Halliburton Energy Services recognizes the importance of meeting society's needs for health, safety, and protection of the environment. It is our intention to proactively work with employees, customers, the public, governments, and others to use natural resources in an environmentally sound manner while protecting the health, safety, and environmental processes while supplying high quality products and services to our customers.

We appreciate the opportunity to present this proposal for your consideration and we look forward to being of service to you. Our Services for your well will be coordinated through the Service Center listed below. If you require any additional information or additional designs, please feel free to contact myself or our field representative listed below.

Prepared and Submitted by:

Hap Pinkerton

Technical Advisor

SERVICE CENTER:

OPERATIONS MANAGER:

SERVICE COORDINATOR:

Farmington Ron Miller Justin Kiddoo

Jess Tallman

OPER. ENGINEER:

DISTRICT SALES: PHONE NUMBER:

Shawn Faurote Cliff Anderson 505.324.3500

Job Information

Intermediate Squeeze #3

Surface Casing	0 - 334 ft (MD)
O . D:	10 77 70 1

Outer Diameter 10.750 in Inner Diameter 10.050 in Linear Weight 40.500 lbm/ft

Casing Grade K-55

Production Casing (1) 0 - 5466 ft (MD)

> Outer Diameter 7.625 in Inner Diameter 6.969 in Linear Weight 26.400 lbm/ft

Casing Grade J-55

Production Casing (2) 5466 - 6576 ft (MD)

> Outer Diameter 7.625 in Inner Diameter 6.875 in Linear Weight 29.700 lbm/ft Casing Grade P-110

Squeeze Tubing 0 - 4100 ft (MD)

Outer Diameter 2.875 in Inner Diameter 2.441 in Linear Weight 6.500 lbm/ft

Intermediate Open Hole 344 - 6576 ft (MD)

Inner Diameter 9.875 in Job Excess 0 %

Squeeze #3 Perforations 4150 - 4151 ft (MD)

> Number Of Perforations Shot Density 4 spf

HALLIBURTON

Job Recommendation

Intermediate Squeeze #3

Fluid Instructions

Fluid 1: Water Spacer

Water Spacer

Fluid Density:

8.400 lbm/gal

Fluid Volume:

20 bbl

Fluid 2: Lead Cement

VARICEM (TM) CEMENT

3 lbm/sk Gilsonite (Lost Circulation Additive)

Fluid Weight

12.300 lbm/gal

Slurry Yield:

1.897 ft³/sk

Total Mixing Fluid:

9.888 Gal/sk

Proposed Sacks:

265 sks

Fluid 3: Tail Cement

FRACCEM (TM) SYSTEM

0.8 % Halad(R)-9 (Low Fluid Loss Control)

0.1 % CFR-3 (Dispersant)

3 lbm/sk Gilsonite (Lost Circulation Additive)

0.1 % HR-5 (Retarder)

Fluid Weight

13.100 lbm/gal

Slurry Yield:

1.394 ft³/sk 6.118 Gal/sk

Total Mixing Fluid: Proposed Sacks:

300 sks

Job Procedure

Intermediate Squeeze #3

Detailed Pumping Schedule

Fluid #	Fluid	Fluid N	ame	Surface	Estimated	Downhole
	Type			Density lbm/gal	Avg Rate bbl/min	Volume
1	Spacer	Water Spacer		8.4		20 bbl
2	Cement	Lead Cement		12.3		265 sks
3	Cement	Tail Cement		13.1		300 sks



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

Attachment to Notice of Intent Sundry to Squeeze .

Well: Jicarilla 92 #2B

CONDITIONS OF APPROVAL:

- 1. Perforate at 4234'. (Top of Lewis Shale @ 4184')
- 2. At a minimum the interval from 4234' to 3445' must be covered with cement and verified before proceeding with perforating and cementing at 2400' (top of Ojo Alamo @ 3495')
- 3. Adhere to previously issued stipulations attached to the Application to Drill.

Wayne Townsend – (505) 599-6359 Troy Salyers – (505) 599-6350 Jim Lovato – (505) 599-6367