Submit 3 Copies
To Appropriate
District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
811 South First, Artesia NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised 1-1-89

WELL API NO.
30-039-26771

5. Indicate Type of Lease
STATE FEE X

6. State Oil & Gas Lease No.
E-289

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

7. Lease Name or Unit Agreement Name:
ROSA UNIT

1. Type of Well:
Oil Well ☐ Gas Well ■ Other

2. Name of Operator
WILLIAMS PRODUCTION COMPANY

8. Well No.
32B

3. Address of Operator
P O BOX 3102, MS 25-4, TULSA, OK 74101

9. Pool name or Wildcat
BLANCO MV/BASIN DK

4. Well Location (Surface)
Unit letter G : 1900 feet from the NORTH line & 1760 feet from the East line Sec 21-31N-6W RIO ARRIBA, NM

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6320' GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
X OTHER: COMMINGLE		OTHER:	

12. 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.

RCVD MAY 18 '09
OIL CONS. DIV.
DIST. 3

OBJECTIVE: REMOVE FAILED PACKER. COMMINGLE MV/DK.

1) MIRU, kill, ND tree, & NU BOP's.
2) POOH with tubing on both strings.
3) Mill out packer.
4) Clean out fill to PBTD @ 7989' MD.
5) RIH and hang-off commingled string @ 7900'MD.
6) ND BOP's & NU tree.
7) Test well to make certain tubing is not plugged.
8) Release rig.
9) Return to production.

NOPDHC order

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rachel Lipperd TITLE: Engineering Technician II DATE: May 14, 2009

Type or print name Rachel Lipperd Telephone No: (918) 573-3046

(This space for State use)
APPROVED BY TITLE Deputy Oil & Gas Inspector, District #3 DATE MAY 21 2009
Conditions of approval, if any:

Williams®

EXPLORATION & PRODUCTION

COMMUNICATION REPAIR & COMMINGLING PROCEDURE

ROSA #32B
T31N, R6W, SECT. 21
ELEVATION: 6320' GR
TD: 7989' MD

WELLBORE STATUS:

DK 2-1/16", 3.3 #/FT, TO 7931' MD

5-1/2" ARROW MODEL B PACKER @ 6100' MD

MV 2-1/16", 3.3 #/FT, TO 5753' MD

ESTIMATED DK SIBHP = **350± PSIG**

ESTIMATED MV SIBHP =**165± PSIG**

ESTIMATED DK SIBHT = 210± °F

ESTIMATED MV SIBHT = 165± °F

OBJECTIVE: Remove failed packer and commingle MV and DK

1) MIRU, kill, ND tree, & NU BOP's.
2) POOH with tubing on both strings.
3) Mill out packer.
4) Clean out fill to PBTD @ 7967' MD.
5) RIH with 2-3/8 and hang-off commingled string @ ~7900'MD.
6) ND BOP's & NU tree.
7) Test well to make certain tubing is not plugged.
8) Release rig.
9) Return to production.

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 flowline and other energized piping or equipment.
4) Acquire 8000' of 2-3/8" N-80 or stronger work string.
5) Acquire ~7900' of 2-3/8", eue, 8rd, 6.5 #/ft J-55 tubing.
6) Locate and have on standby 300' of 2-1/16" 3.25 #/ft, tubing.
7) Acquire wellhead and convert from dual tubing string to a single, 2-3/8" tubing string.
8) Acquire 2-3/8", I.D. Type X or XN type nipple.
9) **KCL** on location to treat kill water as needed.

SAFETY NOTICE

PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!
PLEASE FOLLOW APPROPRIATE WILLIAMS CONTRACTOR PROTOCOLS FOR THIS JOB PLAN

Please see your Williams Business Representative if you have any questions; Contrator protocols can be located in the Williams E&P Contractor Guide

COMMUNICATION REPAIR & COMMINGLING PROCEDURE

ROSA #32B DK AND MV

PRIMARY JOB

Note: Safety meetings 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, perforating, etc.) Please ensure these are documented per section 2.2.7 of the Williams E&P Contractor Guide

1. MI and spot equipment to include fluid pumps and tanks.
2. MIRU.
3. ND/NU killing well with KCL water as necessary

4. Test the BOP's to 2500 psig minimum. If they fail, then rebuild and retest. If they cannot pass tests DO NOT PROCEED and notify Production Engineer.
5. Pick up on DK long string to determine if the long string will pull.
6. If long string will POOH from step #5 above, then POOH with MV short string and proceed to step # 7. If the long string will not POOH, proceed with sub-steps 6.1 through 6.3 below:
   6.1. POOH with short string one or two joints to confirm ability to move.
   6.2. Pick up additional joints of 2-1/16" pipe and wash to top of packer at 6100' using heavy air mist. Wash as necessary until returns clean up to approximately ¼ cup of sand in 5 gallons of water returns.
   6.3. After returns clean up, POOH with pipe laying down string.
7. Spear or screw in and POOH with 2-1/16" 3.3 #/ft DK (long string) string using straight pull to pull out of Arrow Model B packer seal assembly up to 40,000 #'s.
8. POOH with lay down tubing (243± jts. 2-1/16" 3.3# J-55) and seal assembly.
9. NU additional pipe ram for work string or replace pipe ram with annular preventer.
10. Pick up work string.
11. Pick up Arrow Model B packer millover & pulling tool, using DC's and assembly as necessary and RIH on work string to mill over Arrow Model B packer @ 6100' MD and RIH on work string. If work string not inspected prior to work do not exceed 70% of joint strength of the work string pipe when pulling.
12. Millover and attempt to pluck Arrow Model B packer at 6100' MD. If using 4.7 #/ft work string, weight of dry string above packer is 28.7k #s. If using 6.5 #/ft work string, dry string weight will be 39.7k #'s. When attempting to pull packer and tail pipe determine work string weight and do not pull more than 70% of joint strength.
13. POOH with packer and lay down work string, tools and packer.
14. RIH workstring.
15. Clean out to 7967' PBTD, TOOH
16. RIH with mule shoe, 2.3" minimum ID X nipple, TBG hang off EOT at 7900'
17. N/D BOP's and N/U wellhead.
18. Return well to production.
19. R/D, move off location.
20. Notify pumper on route to place well on test.

Exploration & Production

Production Allocation Recommendation
ROSA UNIT #32B
BLANCO MV/BASIN DK

WELLNAME:	Rosa Unit #32B	**FIELD:**	San Juan
LOCATION:	SW/4 NE/4 Section 21(G), T31N, R6W	**COUNTY:**	Rio Arriba
API No.:	30-039- 26771	**Date:**	May 11, 2009

Current Status: The Rosa #32B is currently a dual completion well producing from the Dakota and Mesaverde formations. The packer unit at 6100' has failed. Packer repair would be mandatory. The Production Optimization and Enhancement Team recommends commingling this well instead.

Commingle Procedure:

- Mesa Verde tubing will be pulled
- Dakota tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBTD
- A single string of 2-3/8" tubing will be run to ~7900'
- One set of wellhead facilities will be removed
- Well will be produced as a MV/DK commingle

Allocation Method: Historic production data from both zones on this well was gathered and analyzed. Monthly production data from January 2005 through January 2009 was considered as this represented a time when both zones appear to be free from loading problems and each zone was producing optimally. During this time the Mesa Verde contributed approximately 40.9% of the total production of the well, while the Dakota accounted for the remaining 59.1% during the same time span.

From January 2005 to January 2009
Total Production from well = 329853 Mcf
Total Production from MV = 134886 Mcf
Total Production from DK = 194967 Mcf

MV allocation = MV production /Total production = 134886 Mcf /329853 Mcf = 40.9%

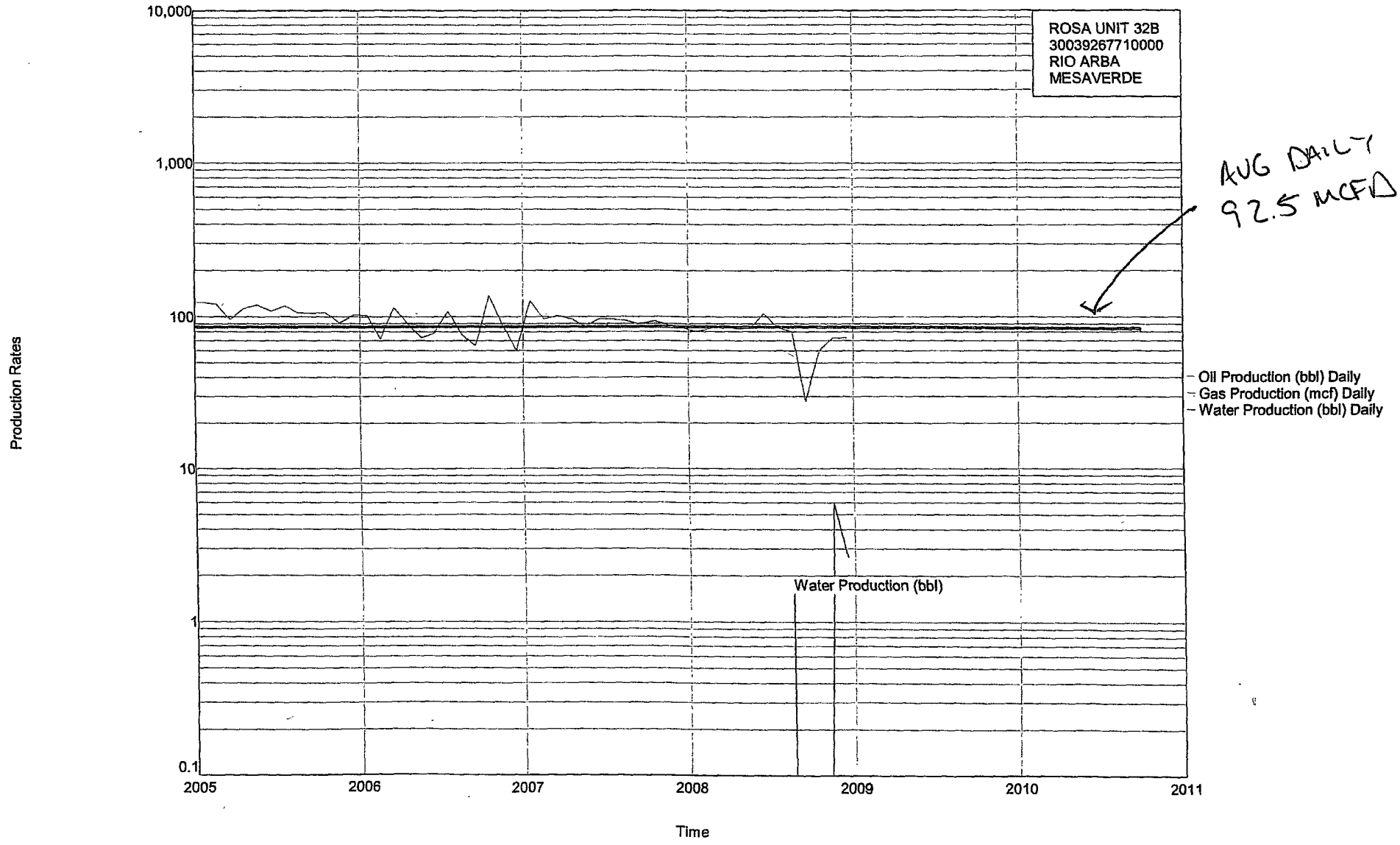
DK allocation = DK production / Total production = 194967 Mcf / 329853 Mcf = 59.1%

Lease Name: ROSA UNIT
County, State: RIO ARBA, NM
Operator: WILLIAMS PRODUCTION COMPANY
Field: BLANCO
Reservoir: MESAVERDE
Location: 21 31N 6W NE SW NE

JAN 05' - JAN 09'

134886 MCF

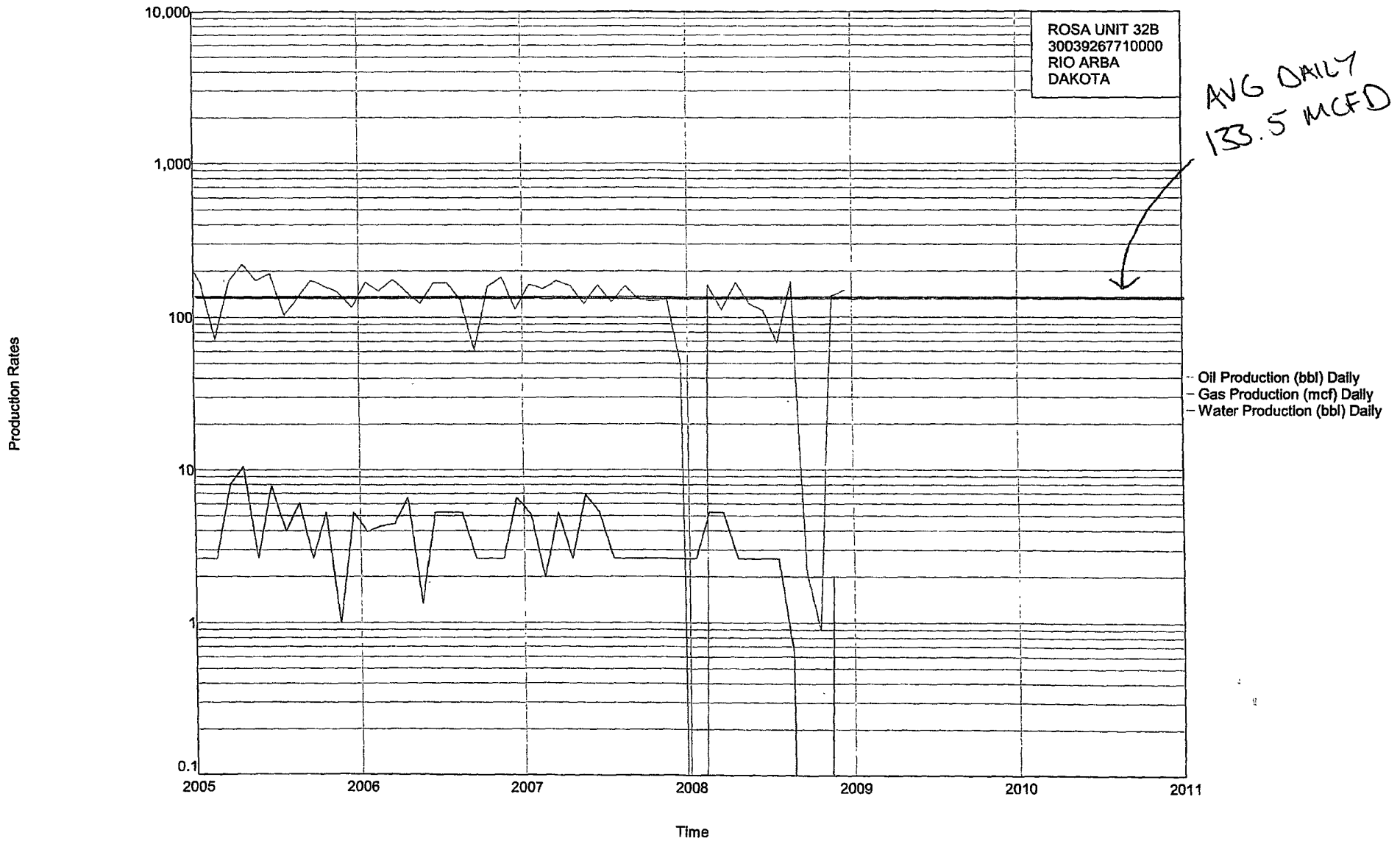
ROSA UNIT - BLANCO



Lease Name: ROSA UNIT
County, State: RIO ARBA, NM
Operator: WILLIAMS PRODUCTION COMPANY
Field: BASIN
Reservoir: DAKOTA
Location: 21 31N 6W NE SW NE

194967 MCF
JAN 05' → JAN 09'.

ROSA UNIT - BASIN



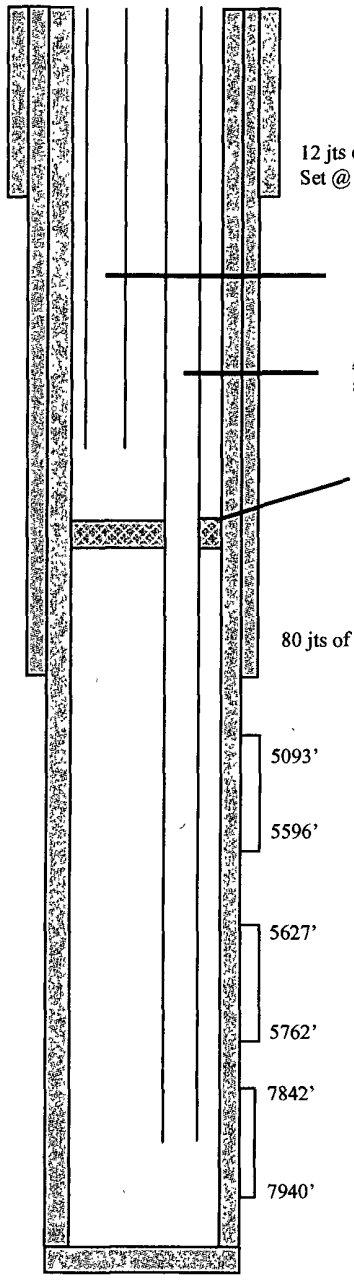
ROSA UNIT #32B
BLANCO MV/BASIN DK

Location: 1900' FNL, 1760' FEL
SW/4 NE/4 Section 21G, T31N, R6W
Rio Arriba Co., NM

Elevation: 6320' GR

Spud Date 07-26-01
Completed 10-10-01

Tops	*Depth*
Kirtland	2468'
Pictured Cliffs	3198'
Cliff House	5311'
Point Lookout	5625'
Mancos	6127'
Dakota	7842'



TD @ 7989'
PBTD @ 7967'

CliffHouse/Menefee 5093' - 5596' (37, 0.38" holes)
80,000# of 20/40 sand in 1885 BBl's slick water.

Point Lookout 5627' - 5762' (24, 0.38" holes)
81,000# of 20/40 sand in 1701 BBl's slick water.

Dakota 7842' - 7940' (27, 0.38" holes)
90,000# of 20/40 Acfrac SB Excel resin coated proppant carried in 60Q Spectre G foam in 580 BBl's slick water

HOLE SIZE	*CASING*	*CEMENT*	*CMT TOP*
14 3/4"	10 3/4"	140 sx	447'
9 7/8"	9 7/8"	610 sx	3652'
6 3/4"	5 1/2"	400 sx	6954'

TR 11-16-2001