

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

WELL API NO.
034-26771
~~30-045-32142~~

5. Indicate Type of Lease
STATE ☒ FEE ☐

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

7. Lease Name or Unit Agreement
Name:

ROSA UNIT

8. Well No.
#32B

9. Pool name or Wildcat
BLANCO MV/BASIN DK

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)

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

2. Name of Operator

WILLIAMS PRODUCTION COMPANY

3. Address of Operator

P O BOX 3102, MS 25-4, TULSA, OK 74101

4. Well Location (Surface)

Unit letter G : 1900 feet from the NORTH line & 1760 feet from the EAST line Sec 21-31N-R6W 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:

PERFORM REMEDIAL
WORK

PLUG AND ABANDON

TEMPORARILY ABANDON

CHANGE PLANS

PULL OR ALTER CASING

X OTHER: COMMINGLE

SUBSEQUENT REPORT OF:

REMEDIAL WORK

ALTERING CASING

COMMENCE DRILLING OPNS.

PLUG AND
ABANDONMENT

CASING TEST AND CEMENT JOB

OTHER: _____

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)

- i. Pre-approved Pool Division Order R-11363.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 5093' - 5762', Basin Dakota 7842' - 7940'.
- iv. Fixed percentage allocation based upon production data of 40.9% Blanco MV and 59.1% Basin Dakota. See attached information for details. This allocation may be adjusted at a later date based on further testing.
- v. Commingling will not reduce the value of reserves.
- vi. Notification of working, royalty, and overriding royalty interest owners; no notice is required per R-12991.
- vii. The BLM has been notified and has approved the work on sundry notice form 3160-5.

RCVD JUN 8 '09
OIL CONS. DIV.
DIST. 3

Please see attached for commingle procedure:

DHC 3161 A2

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: June 4, 2009

Type or print name Rachel Lipperd

Telephone No: (918) 573-3046

(This space for State use) APPROVED

BY

Deputy Oil & Gas Inspector,

TITLE

District #3

JUN 10 2009

Conditions of approval, if any:

Notify State Land office prior to commingling



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; Contractor 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

LOCATION: SW/4 NE/4 Section 21(G), T31N, R6W

API No.: 30-039- 26771

FIELD:

San Juan

COUNTY:

Rio Arriba

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%

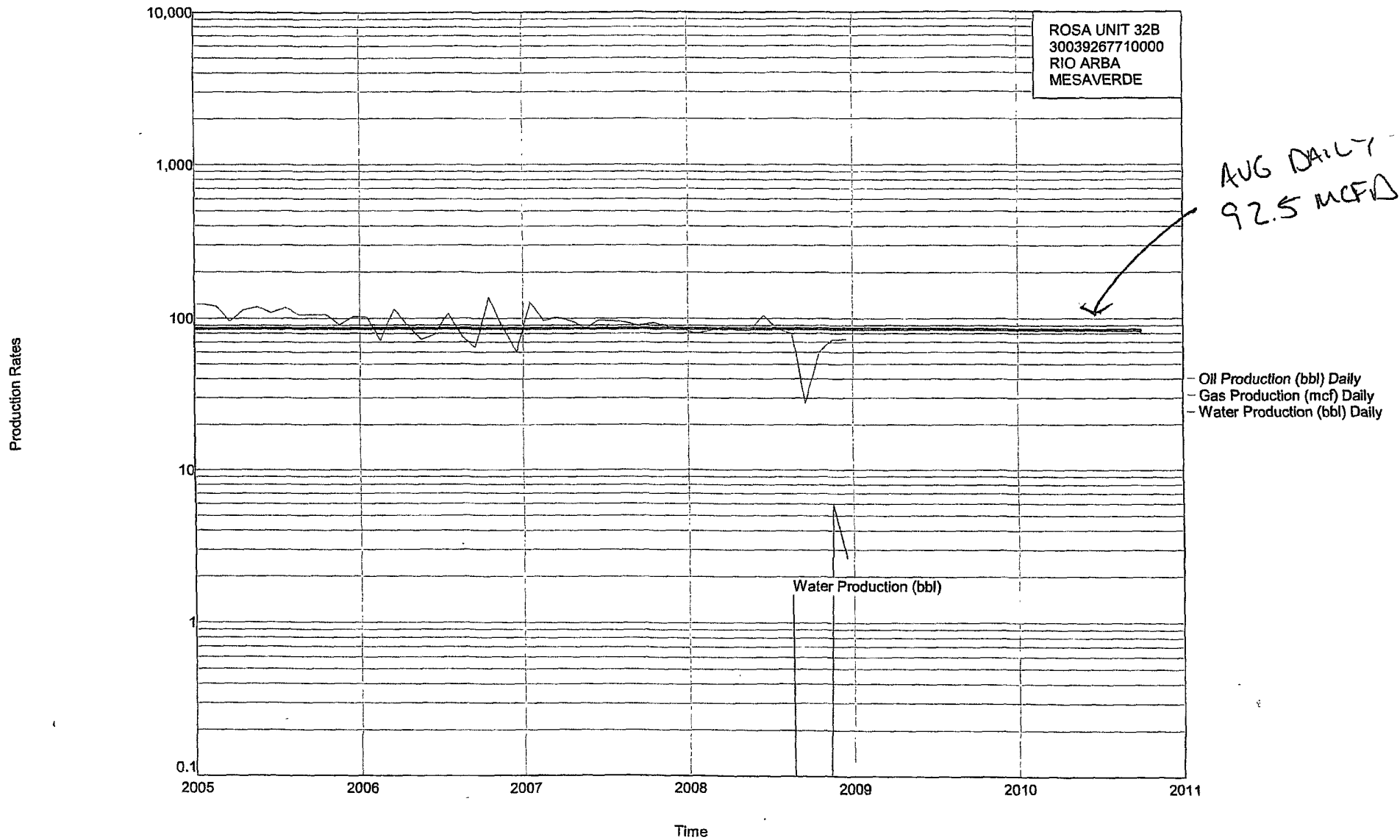
DK allocation = DK production / Total production = 194967 Mcf / 329853 Mcf = 59.1%

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

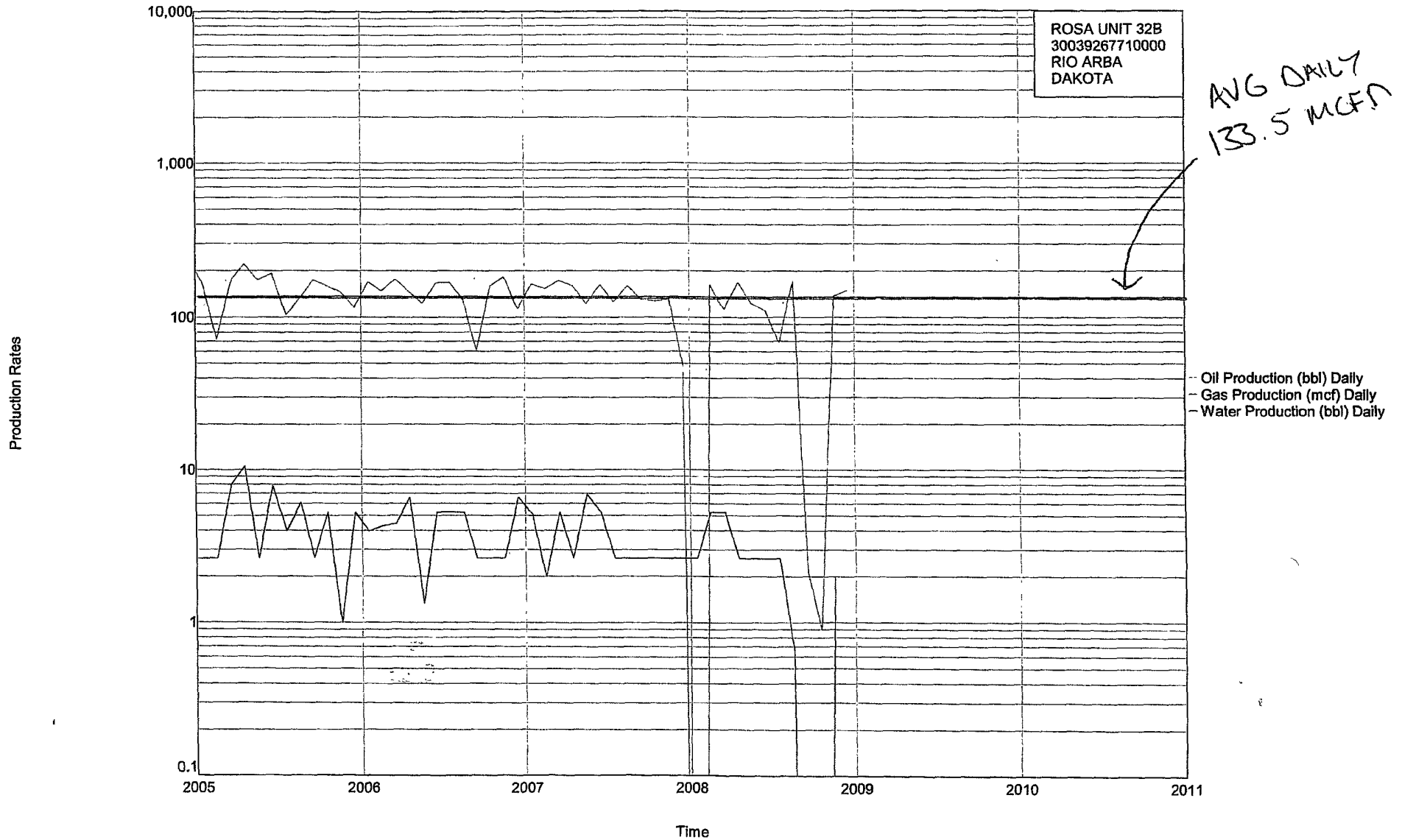
ROSA UNIT - BLANCO



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



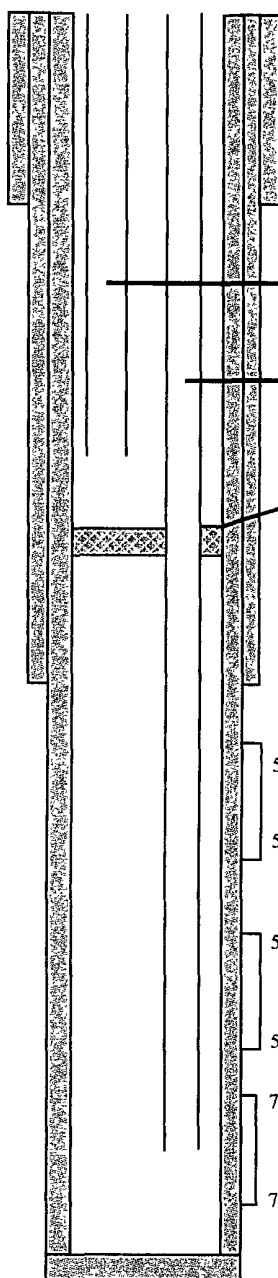
ROSA UNIT #32B **BLANCO MV/BASIN DK**

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

<i>Tops</i>	<i>Depth</i>
Kirtland	2468'
Pictured Cliffs	3198'
Cliff House	5311'
Point Lookout	5625'
Mancos	6127'
Dakota	7842'



12 jts of 10 3/4", 40.5#, ST&C csg.
 Set @ 517'

Mesaverde Tubing: Ran 177 jts 2-1/16", 3.3#, tbg with mule shoe on bottom and SN 1 jt off bottom. Landed @ 5753'

Dakota Tubing: Ran 243 jts 2-1/16", 3.3#, tbg with mule shoe on bottom and SN 1 jt up. Landed @ 7931'.

Arrow model "B" packer @ 6100'

80 jts of 7-5/8", 26.4#, csg. Set @ 3653' KB

5093'

5596'

5627'

5762'

7842'

7940'

183 jts of 5-1/2", 17# csg. Set @ 7989'

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

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

TD @ 7989'
 PBD @ 7967'

<i>HOLE SIZE</i>	<i>CASING</i>	<i>CEMENT</i>	<i>CMT TOP</i>
14 3/4"	10 3/4"	140 s x	447'
9 7/8"	9 7/8"	610 s x	3652'
6 3/4"	5 1/2"	400 s x	6954'